



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF KOPRAN LIMITED AT ITS MEETING HELD ON FRIDAY, AUGUST 08, 2025 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION OF THE KOPRAN LABORATORIES LIMITED INTO AND WITH KOPRAAN LIMITED, ON EACH CLASS OF SHAREHOLDERS (PROMOTER AND NON-PROMOTERS), CREDITORS, KEY MANAGERIAL PERSONNEL, AND EMPLOYEES OF KOPRAN LIMITED AND LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO, SPECIFYING ANY SPECIAL VALUATION DIFFICULTIES.

1. Background

The Board members noted that in its meeting held on March 20, 2025, the Board after considering the Valuation Report received from the appointed Registered Valuer and Fairness Opinion received from Securities Exchange Board of India ('SEBI') registered Merchant Banker and after recording the rationale, benefits and impact of the Scheme of Amalgamation of Kopran Limited ("Transferee Company") and Kopran Laboratories Limited ("Transferor Company") and their respective shareholders (hereinafter referred to as "Scheme") along with recommendation of the Audit Committee and Committee of Independent Directors that the Scheme was not detrimental to the Interest of the shareholders of the Company, had approved the scheme.

Post the approval of the Board of directors, the Scheme was filed with Stock Exchanges for their approval. Based on inputs from BSE and NSE due to delayed filing for Stock Exchange approval, BSE and NSE directed the Company to re-work on the merger application along with all documents including fresh Valuation report, Fairness Opinion, Auditor Certificates etc. and necessary approvals from the Board, Audit Committee & Committee of Independent Directors.

In light of the above, meeting of the Board of Directors of Kopran Limited was held on August 08, 2025 to consider the Scheme of Amalgamation, considering the fresh Financials of both the Companies, Valuation report of the Company etc. and Kopran Laboratories Limited ("**Transferor Company**") and their respective shareholders (hereinafter referred to as "**Scheme**") which provides for the amalgamation of Kopran Laboratories Limited with and into the Company under Section 230 to 232 and other applicable provisions of the Companies Act, 2013("the Act").

- a) Based on the recommendations of the Committee of Independent Directors and the Audit Committee, the Board of Directors ("**the Board**") of Kopran Limited ("**the Transferee Company**" or "**the Company**") at its meeting held on Friday, August 08, 2025, approved the Scheme of Amalgamation involving the Company and Kopran Laboratories Limited ("**the Transferor Company**") and their respective shareholders (hereinafter referred to as "**Scheme**"), wherein the Transferor Company shall amalgamate into and with the Transferee Company in terms of





Kopran

Sections 230 to 232 and other applicable provisions, if any of the Companies Act, 2013 ("**Companies Act**") read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) or other amendment(s) thereof for the time being in force), Section 2(1B) read with the other applicable provisions of the Income Tax Act, 1961 (as amended) ("**IT Act**") and other applicable laws including SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time ("**SEBI Circular**").

- b) In terms of Section 232(2)(c) of the Companies Act, 2013, a report from the Board of Directors of the Company, explaining the effect of the Scheme on each class of shareholders (promoters and non-promoter shareholders), creditors, key managerial personnel ("**KMP**") and employees of the Company, setting out, among other things, the share exchange report specifying any special valuation difficulties, is required to be adopted by the Board. Such report is then required to be appended with the notice of the meeting of shareholders and creditors, if such meeting is ordered by the National Company Law Tribunal.
- c) Accordingly, this report of the Board is prepared to comply with the requirements of Section 232(2)(c) of the Companies Act, 2013.
- d) While deliberating on the Scheme, the Board, inter-alia, considered and took on record the following documents:
 - i. Draft of the proposed Scheme;
 - ii. Valuation Report dated August 07, 2025 issued by Mr. Parag Mehta, Partner of M/s Ernst & Young Merchant Banking Services LLP, Registered Valuer (IBBI Reg. No. IBBI/RV-E/05/2021/155) ("**Valuation Report**"), who in his report has recommended the share exchange ratio i.e., **100 (One Hundred)** fully paid-up equity shares of face value of Rs. 10/- each of the Transferee Company for every **45 (Forty-Five)** fully paid-up equity shares of face value of Rs. 10/- each held in the Transferor Company. ("**Share Exchange Ratio**");
 - iii. Fairness Opinion for the Transferor and Transferee Company dated August 08, 2025 issued by Rohit Sushil Khanted, Saffron Capital Advisors Pvt Limited (Reg. No. INM000011211), an Independent SEBI registered Category – I Merchant Banker providing fairness opinion on the Stock Exchange Ratio recommended in the Valuation Report prepared by Mr. Parag Mehta. ("**Fairness Opinion**");





Kopran

- iv. Draft Auditor's Certificate dated March 20, 2025 from the Statutory Auditors of the Company i.e. Khandelwal Jain & Co., Chartered Accountants (**"Auditors Certificate"**), in terms of sub-para 5 of Part A of Part I of the SEBI Circular and proviso to sub-clause (j) of Section 232(3) of the Companies Act, 2013, to that effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Companies Act, 2013;
 - v. Report of the Committee of Independent Directors of the Company dated August 08, 2025, recommending the Scheme, taking into consideration *inter alia*, that the Scheme is not detrimental to the shareholders of the Company; and
 - vi. Report of the Audit Committee of the Company dated August 08, 2025, recommending the Scheme, taking into consideration *inter alia*, the Valuation Report, Fairness Opinion, Auditors Certificate and commenting on the need for the Scheme, rationale of the Scheme, cost benefit analysis of the Scheme, impact of the Scheme on the shareholders of the Company and synergies of business of entities involved.
- e) The Scheme, amongst others, contemplates the following:
- i. Amalgamation of the Transferor Company into and with the Transferee Company in accordance with Section 2 (1B) and other provisions of the IT Act, 1961, Section 230 to 232 of the Companies Act, 2013 and other applicable laws.
 - ii. Pursuant to the sanction of the Scheme by the NCLT and upon fulfilment of the conditions of the Scheme, the Scheme shall become effective from the opening of business on January 01, 2025 or such other date as may be determined by the Board of Directors of the concerned Companies or directed/allowed by the NCLT. (**"Appointed Date"**)
 - iii. With effect from the Appointed Date and upon the Scheme becoming effective, the entire Undertaking (as defined in the Scheme) of the Transferor Company shall stand transferred to and vested in the Transferee Company as a going concern, in accordance with Section 230 to 232 of the Companies Act, 2013, IT Act, 1961 and other applicable laws.





Kopran

- iv. Upon Scheme becoming effective, the issued, subscribed and paid-up equity capital of Transferee Company that is held by Transferor Company shall stand cancelled without any further act or deed.
 - v. Issue and allotment of New Shares (as defined in the Scheme) to the eligible members (as defined in the Scheme) (except the Transferor Company) as on the Record Date (as defined in the Scheme) in accordance with Para 3 Part IV of the Scheme. Upon new shares being issued and allotted by the Transferee Company to the members of the Transferor Company the share certificates in relation to the shares held by the said members in the Transferor Company shall stand cancelled and extinguished and be of no effect on and from the date of such issue and allotment.
 - vi. Transfer of the authorized share capital of the Transferor Company to the Company and consequential increase in the authorised share capital of the Company as provided in Para 4 of Part IV.
 - vii. New Shares to be issued by the Transferee Company to the equity shareholders of the Transferor Company pursuant to the Scheme, would be listed on the Stock Exchanges.
 - viii. The Transferor Company shall stand dissolved without being wound up.
- f) The effectiveness of the Scheme is conditional upon fulfilment of the actions specified in the Scheme, which inter alia include:
- i. receipt of consents, no-objection letters, approvals from the Stock Exchanges in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Circular in respect of the Scheme (prior to filing the Scheme with the NCLT), which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith;
 - ii. the Scheme being agreed to (in the manner prescribed herein) by the respective requisite majorities of the various classes of shareholders of the Companies as required under the Companies Act, 2013.
 - iii. the Scheme being approved by the public shareholders through e-voting in terms of Part I(A)(10) of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and the Scheme shall be acted upon





Kopran

only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;

- iv. there having been no interim or final ruling, decree or direction by any Appropriate Authority (as defined in the Scheme) which has not been stayed by an appellate authority, which has the effect of prohibiting or making unlawful, the consummation of the proposed Scheme by any of the Companies; and
- v. the Scheme being sanctioned by the NCLT under Section 230 to 232 of the Companies Act, 2013, on terms as originally approved by or with such modifications as are acceptable to the Companies.

Upon the fulfilment of the aforementioned conditions, the Scheme shall become effective on the date or last of the dates on which the certified copies of the order of NCLT sanctioning the Scheme are filed by the Transferor Company and the Transferee Company with their respective Registrar of Companies, whichever is later. (**“Effective Date”**)

2. Effect of the Scheme on each class of shareholders and Key Managerial Personnel and promoter shareholders and non-promoter shareholders of Kopran Limited

- a) The Valuation Report recommends the share exchange ratio i.e., **100 (One Hundred)** fully paid-up equity shares of face value of Rs. 10/- each of the Transferee Company for every **45 (Forty-Five)** fully paid-up equity shares of face value of Rs. 10/- each held in the Transferor Company.

No special valuation difficulties were reported by the valuer.

- b) Effect on the equity shareholders (promoter shareholders and non-promoter shareholders)

Under the Scheme, an arrangement is sought to be entered into between the Transferee Company and its equity shareholders. Upon the coming effect of Part IV of the Scheme and in consideration of transfer and vesting of the Transferor Company, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Company, New Equity Shares of Transferee Company in the ratio as enumerated in Clause 3.1 of the Scheme. Further, the authorised share capital of the Transferor Company shall stand transferred to and be merged into and combined with the authorised share capital of the Transferee Company in the





Kopran

manner as stipulated in Clause 4.1 of part IV of the Scheme. The Promoter Shareholding will increase pursuant to said Amalgamation. The said Scheme will result in improved shareholder value for the shareholders of the respective Companies, thus providing a stronger and wider capital base for future growth/expansion of the Transferee Company.

c) Effect on the KMPs

The Directors, KMP of the Transferor Company shall be engaged on similar terms and conditions (which are not less favourable than those) on which they are currently engaged by the Transferor Company, without any interruption or break in service. In the circumstances, the rights of the employees of the Transferor Company would in no way be affected by the Scheme.

d) Effect on the creditors

The Scheme contemplates amalgamation of Transferor Company into Transferee Company pursuant to provisions of Section 230-232 and other applicable provisions of Companies Act, 2013, and resolution without winding up of the Transferor Company pursuant thereto. It does not contemplate any compromise or arrangement with any other class of persons apart from the shareholders of the respective companies.

Under the Scheme, no arrangement or compromise is being proposed with the creditors (secured or unsecured, including debenture holders) of the Company. The liability of the creditors of the Company under the Scheme is neither being reduced nor being extinguished.

e) Effect on staff or employees

Upon Scheme becoming effective, all the employees of the Transferor Company, who are on its pay roll shall be engaged by the Transferee Company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of this amalgamation and transfer. In case of the provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, if any, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, in accordance with the provisions of applicable laws and in terms of this Scheme and shall continue to be provided to the transferred employees and the





services of all the transferred employees of the Transferor Company for such purpose, shall be treated as having been continuous.

3. Conclusion

While deliberating on the Scheme, the Board has considered its impact on each of the shareholders (promoters and non-promoter shareholders), KMPs, creditors and employees. In the opinion of the Board, the Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), KMPs, creditors and employees of the Company and there will be no prejudice caused to them in any manner by the Scheme.

The Board has adopted this Report after noting and considering the documents and information set forth in this Report. In order for the Transferee Company to comply with the requirements of extant regulations applicable to companies undertaking any scheme of amalgamation, this report of the Board may please be taken on record while considering the Scheme.

For and on behalf of Board of Directors of Kopran Limited



Sunil Sodhani
Company Secretary & Compliance Officer

Date: August 08, 2025

Place: Mumbai

