

NDL Ventures Limited

REPORT OF THE AUDIT COMMITTEE OF NDL VENTURES LIMITED (FORMERLY KNOWN AS NXTDIGITAL LIMITED) RECOMMENDING THE PROPOSED SCHEME OF MERGER BY ABSORPTION OF HINDUJA LEYLAND FINANCE LIMITED (TRANSFEROR COMPANY) INTO NDL VENTURES LIMITED (TRANSFeree COMPANY) AND THEIR RESPECTIVE SHAREHOLDERS (SCHEME) DATED NOVEMBER 25, 2025

Members present:

- | | |
|----------------------|-----------------------------------|
| 1. Mr. Munesh Khanna | : Chairman & Independent Director |
| 2. Mr. D Sarkar | : Independent Director |
| 3. Mr. Sachin Pillai | : Non-Executive Director |

I. Background:

A meeting of the Audit Committee was held on November 25, 2025 to consider and, if thought fit, recommend the proposed Scheme of Merger by Absorption ("**Scheme**") between Hinduja Leyland Finance Limited (the "**Transferor Company**") and NDL Ventures Limited (formerly known as NXTDIGITAL Limited) (the "**Transferee Company**" or "**the Company**") and their respective shareholders wherein the Transferor Company shall stand transferred to and vested in the Company on going concern basis with effect from the appointed date i.e. April 01, 2026, in accordance with the terms of the Scheme and pursuant to the provisions of Sections 230 to 232 read with applicable provisions of the Companies Act, 2013 ("**Act**") and the rules and regulations made thereunder, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) by the Securities and Exchange Board of India and the Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 issued by the Securities and Exchange Board of India ("**SEBI Circular**"), and as amended from time to time.

The Company was incorporated under the provisions of the Companies Act, 1956 and is an existing company under the provisions of Companies Act, 2013. The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited (collectively referred as "Stock Exchanges").

This report of the Audit Committee is made in order to comply with the requirements of SEBI (LODR) Regulations, 2015 and SEBI Circulars.

This report of the Audit Committee is made in order to comply with the requirements of the aforesaid SEBI Circular(s) after considering the following necessary documents:

1. Proposed Scheme of Merger;
2. Valuation report dated November 25, 2025, issued by Independent Registered Valuers M/s SSPA & Co., Chartered Accountants and M/s KPMG Valuation Services LLP
3. Fairness opinion dated November 25, 2025, issued by Motilal Oswal Investment Advisors Limited, an independent and SEBI registered Category – I Merchant Banker
4. Statutory auditors certificate dated November 25, 2025, for accounting treatment in the Scheme issued by M/s S K Patodia & Associates LLP, Chartered Accountants.

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(Formerly known as NXTDIGITAL LIMITED)

IN CENTER, 49/50 MIDC, 12th Road, Andheri (E), Mumbai - 400 093.

T: +91 - 22 - 2820 8585 W: www.ndlventures.in CIN. No.: L65100MH1985PLC036896



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II. Proposed Scheme of Arrangement:

The Audit Committee discussed and noted the following salient features of the Scheme:

- a. Merger of the Transferor Company into the Company, on a going concern basis;
- b. The Appointed Date means the opening of business hours on April 01, 2026 or such other date as may be approved by the National Company Law Tribunal, Mumbai bench ("NCLT"); and
- c. In consideration of the proposed Scheme, the Company will issue and allot equity shares, to each shareholder of the Transferor Company, whose names appear in the register of members of Transferor Company on the record date as may be fixed for the purpose by the Board of Company in consultation with the Transferor Company (hereinafter referred to as "the Record Date").
- d. The equity shares proposed to be issued and allotted by the Company will be listed on BSE Limited and National Stock Exchange of India Limited, a recognized Stock Exchanges having nationwide trading platform.
- e. The Transferor Company and the Company shall follow the method of accounting as per the applicable accounting principles as prescribed under the Companies (Indian Accounting standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Act, as may be amended from time to time and relevant clarifications issued by Institute of Chartered Accountants of India.
- f. The Scheme is and shall be conditional upon and subject to:
 - (i) The requisite consents, no-objections and approvals of the Stock Exchanges and SEBI to the Scheme in terms of the SEBI Circular;
 - (ii) The approval of the Scheme by the respective requisite majorities in number and value of the shareholders of the Companies in accordance with sections 230 to 232 of the Act;
 - (iii) The Scheme being sanctioned by the Tribunal in terms of sections 230 to 232 and other relevant provisions of the Act and the requisite orders of the Tribunal; and
 - (iv) Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the relevant Registrar of Companies by Transferor Company and Transferee Company as per the provisions of the Companies Act

III. Need and Rationale of the Scheme:

Considering the growth potential in the Non banking finance sector and with an objective of creating shareholder value, the Transferee Company intends to engage in the business of a Non Banking Finance Company (NBFC) and accordingly has amended its Memorandum of Association to reflect the same. The Transferee Company believes that the proposed merger by absorption of the Transferor company which is a leading NBFC will give the shareholders of the Transferee Company and opportunity to participate in the growing NBFC sector and thereby enhance value

The Transferor company being a successful NBFC, will need growth capital to accelerate growth and believes that merging with the Transferor company will increase the avenues for raising growth capital both from public and interested investors thereby resulting in value enhancement for its shareholders.

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The proposed corporate restructuring mechanism by way of a scheme of merger by absorption is beneficial, advantageous and not prejudicial to the interest of the shareholders, creditors and other stakeholders. The proposed merger of Transferor Company into Transferee Company is in consonance with the global corporate restructuring practices which intends and seeks to achieve flexibility and integration of size, scale and financial strength. Therefore, the management and Board of Directors of the Transferor Company and the Transferee Company believe that this Scheme shall benefit the respective companies and other stakeholders of respective companies through value creation, inter-alia, on account of the following reasons:

- a) Enable the Transferee Company to grow by providing significant impetus to its growth in the NBFC sector;
- b) Greater efficiency in capital raising by the merged entity, and unfettered access to both cash flow generated by the business and external capital raising which can be deployed more efficiently to fund growth opportunities;
- c) Avoidance of duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances and cost;
- d) Integrated operational strategies, inter-transfer of resources / costs will result in optimum utilization of assets;
- e) Merger will result in increase in net worth of Transferee Company thereby enhancing its financial strength;
- f) Merger shall result in efficient and focused management control and system and higher level of corporate governance as required by listed entity.

There is no adverse effect of Scheme on the directors, key managerial personnel, shareholders, creditors, other security holders and employees of Transferor Company and Transferee Company. However, the Board of the Transferor Company upon merger shall stand dissolved without prejudice to decisions, actions, taken by the Board of the Transferor Company. The Scheme would be in the best interest of all stakeholders

Due to the aforesaid rationale, it is considered desirable and expedient to enter into this Scheme for merger by absorption of Transferor Company with the Transferee Company, and in consideration thereof issue equity shares of the Transferee Company to the shareholders of Transferor Company in accordance with this Scheme.

IV. Synergies of business of the entities involved in the Scheme:

The Committee reviewed the Scheme and noted that the merger would result in achieving growth and efficiency in operational processes implementation of strategies and in optimizing profitability.

Thus, the re-structuring is proposed to result into enhanced development and growth of the business of the merged entity with more productive utilization of resources which would be beneficial for all stakeholders.

V. Cost benefit analysis of the Scheme as under:

There are no social or environmental impact of the proposed restructuring. Except the transaction cost, there are no additional costs involved for the proposed restructuring. The Committee is of the opinion that the expected synergies and benefits in pursuance of the restructuring would offset the impact of such costs for the Company.

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VI. Impact on the scheme of the shareholders are as under:

- a. The shareholders of the Transferor Company as on the Record Date shall be entitled to equity shares in the Company basis the share entitlement ratio determined by M/s SSPA & Co., Chartered Accountants and M/s KPMG Valuation Services LLP in the Valuation Report submitted to this Committee. Subsequent to which the shareholders of the Transferor Company shall become the shareholders in the Company. The equity shares to be issued and allotted by the Company shall rank pari passu with the existing equity shares of Company in all respects including dividends.
- b. Upon Scheme becoming effective and subject to receipt of regulatory approvals, the equity shares of the Company issued as consideration pursuant to the Scheme, shall be listed and/or admitted to trading on the BSE and NSE, where the equity shares of the Company are listed and/or admitted to trading.
- c. The Scheme will not adversely affect the rights or interest of any shareholder of the Transferor Company and the Company or their respective shareholders or creditors, in any manner whatsoever.

VII. Recommendation of the Audit Committee:

The Audit Committee recommends the Scheme for favourable consideration by the Stock Exchanges and the Securities and Exchange Board of India.

For and on behalf of the Audit Committee of
NDL Ventures Limited (formerly known as NXTDIGITAL Limited)


Munesh Khanna
Chairman of the Committee
DIN : 00202521



Dated: November 25, 2025
Place: Mumbai

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