

NDL Ventures Limited

REPORT OF THE INDEPENDENT DIRECTORS 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

This report is considered and approved by the Independent Directors of the Company at their meeting held on November 25, 2025, through video conferencing, wherein the following Independent Directors were present:

Directors present:

- | | |
|-------------------------|------------------------|
| 1. Mr. Munesh Khanna | : Independent Director |
| 2. Mr. Debabrata Sarkar | : Independent Director |
| 3. Ms. Vandana Jaisingh | : Independent Director |

The Independent Directors of the Company unanimously elected Mr. D Sarkar, as the chairperson of the meeting.

1. Background:

- 1.1 The proposed Scheme of Merger by Absorption ("**Scheme**") between Hinduja Leyland Finance Limited ("**Transferor Company**") and NDL Ventures Limited (formerly known as NXTDIGITAL Limited) ("**Transferee Company**" or the "**Company**") and their respective shareholders under 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 and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements), Regulations 2015 has been placed before the Independent Directors of the Company at their meeting held on November 25, 2025, for the Independent Directors of the Company to consider and approve the said Scheme.
- 1.2 The Transferee Company is a public limited company incorporated under the provisions of the Companies Act, 1956 and an existing company under the provisions of Companies Act, 2013. The equity shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited (collectively referred as "**Stock Exchanges**").
- 1.3 As per the requirements under the SEBI Circular, Independent Directors of the Company are required to adopt a report recommending the Scheme, taking into consideration, inter alia, that the scheme is not detrimental to the shareholders of the Company.
- 1.4 This report is in connection with the Scheme, which has been accordingly adopted by the Independent Directors of the Company in order to comply with requirements under the SEBI Circular, after considering, discussing and reviewing, inter alia, the following:
 - (a) the proposed Scheme which is duly initialed by the Company Secretary of the Company for the purpose of identification;
 - (b) valuation report dated November 25, 2025 issued by Independent Registered Valuers M/s SSPA & Co., Chartered Accountants and M/s KPMG Valuation Services LLP, in respect of the share exchange ratio set out under the Scheme;
 - (c) fairness opinion dated November 25, 2025 issued by Motilal Oswal Investment Advisors Limited, an independent and SEBI registered Category – I Merchant Banker, providing its opinion on the fairness of the share exchange ratio as proposed in the valuation report.



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(Formerly known as NXTDIGITAL LIMITED)

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

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- (d) statutory auditor certificate dated November 25, 2025 for accounting treatment in the Scheme issued by M/s S K Patodia & Associates LLP, Chartered Accountants.

2. 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.

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.



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3. Scheme not detrimental to the shareholders of the Company:

- 3.1 The Company will issue and allot equity shares, as per the share exchange ratio, credited as fully paid-up to the shareholders of the Company, in the manner as set out in paragraph 6.1 of the Scheme, and in accordance with the recommendation under the share exchange ratio report and the fairness opinion. Further, the existing shareholding of the Company shall continue upon the Scheme becoming effective.
- 3.2 The Independent Directors of the Company noted the Scheme will provide an opportunity to improve the economic value of the Company. There will be no detrimental impact on the shareholders of the Company due to the proposed Scheme.
- 3.3 Therefore, considering the above and the other documents presented, the Independent Directors of the Company are of the view that the Scheme is not detrimental to the shareholders of the Company.

4. Recommendation of the Independent Directors of the Company

- 4.1 The Independent Directors of the Company, after due deliberations and due consideration of all the terms of the Scheme, in particular the fact that the Scheme is not detrimental to the shareholders of the Company, recommend the Scheme for approval of the Board of the Directors of the Company.

**For and on behalf of the Independent Directors of
NDL Ventures Limited (formerly known as NXTDIGITAL Limited)**



Debabrata Sarkar
Chairman of the Meeting of Independent Directors
DIN : 02502618



Dated: November 25, 2025
Place: Mumbai

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