



# DIVINE POWER ENERGY LIMITED

(formerly known as PDRV Enterprises Pvt. Ltd.)

**Manufacturers of : Winding Wires and Strips (Fiberglass/DPC/DCC/SE)**

**REPORT ON RECOMMENDATIONS OF THE INDEPENDENT DIRECTORS COMMITTEE OF DIVINE POWER ENERGY LIMITED ON THE DRAFT SCHEME OF MERGER/ AMALGAMATION BETWEEN VIRAJ UPKRAM PRIVATE LIMITED ("TRANSFEROR COMPANY") WITH THE DIVINE POWER ENERGY LIMITED ("TRANSFeree COMPANY") UNDER SECTION 230 TO 232 AND OTHER APPLICABLE PROVISION OF COMPANIES ACT, 2013 ("SCHEME") CONSIDER AND APPROVE AT ITS MEETING HELD ON MONDAY, THE 12<sup>TH</sup> JANUARY, 2026, AT 02:00 PM.**

**MEMBER PRESENT:**

Mr. Vikram Grover	Chairman cum Independent director
Ms. Deepika Gaur	Member cum Independent director

**IN ATTENDANCE OF:**

Swati Bansal	Company Secretary & Compliance officer
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**BACKGROUND:**

1. A meeting of the Committee of Independent Directors of the Company ("Committee") was held on 12<sup>TH</sup> January, 2026, to inter alia consider and, if thought fit, recommend the proposed Scheme of Merger/Amalgamation ("Scheme") of Viraj Upkram Private Limited ("Transferor Company") with Divine Power energy Limited ("Transferee Company" or "Company"), pursuant to which the Transferor Company would stand transferred to and vested in Transferee Company and be dissolved without being wound up with effect from the Appointed Date i.e. 01<sup>st</sup> April, 2026 in accordance with the terms of the Scheme and pursuant to the provisions of Sections 230 to 232 and other 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) and in compliance with regulation 11, 37 & 94 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("SEBI LODR Regulations"), and the SEBI Circular as amended from time to time.
2. The Scheme is subject to receipt of approvals of the board of directors, shareholders of the companies involved, and approval of other regulatory authorities as may be required, including SME Platform of National Stock exchange of India Limited, i.e. NSE Emerge, Securities Exchange board of India ("SEBI") and National Company Law Tribunal ("NCLT")

3. The Transferee Company is incorporated under the provision of Companies act, 1956, The Equity shares of transferee Company are listed on SME Platform of National Stock exchange of India Limited, i.e. NSE Emerge (referred as "stock exchange/NSE").
4. In terms of SEBI Circular, a report from the committee is required recommending the draft scheme, taking into consideration inter alia that the scheme is not detrimental to the shareholders of the transferee Company. This report of the committee is made in order to comply with the requirement of SEBI LODR Regulations and SEBI Circular.
5. While deliberating on scheme, the Committee of Independent directors, inter- alia, consider and took record of following documents:
  - a) Draft scheme, duly initiated by the Company Secretary of the Company for the purpose of identification;
  - b) Valuation Report dated 09<sup>th</sup> January, 2026 issued by CA Gaurang Agarwal, Independent Registered Valuer registered with the Insolvency Bankruptcy Board of India (IBBI) vide registration number IBBI/RV/06/2021/14167 for determination of Share Exchange Ratio under the Scheme ("Valuation Report");
  - c) Fairness opinion dated 11<sup>th</sup> January 2026 Prepared by 3DIMENSION CAPITAL SERVICES LIMITED an independent SEBI registered Category-I Merchant banker (Registration Number INM000012528), Confirming that the share exchange ratio in the valuation report are fair to the Companies and their respective shareholders and creditors ("Fairness opinion"); and
  - d) Statutory Auditor Certificate dated 12<sup>th</sup> January, 2026 issued by the VAPS & COMPANY, Chartered Accountant (Firm Registration No. 003612N), pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, SEBI Master Circular Number SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 and Sections 230 to 232 of the Companies Act, 2013, confirming that the accounting treatment contained in the draft scheme is in the compliance with all the applicable accounting standards specified by the central government under section 133 of the act read with applicable rules , and /or the accounting standards issued by the institute of chartered accountants of India and other generally accepted accounting principles.
  - e) Limited review of the financial statements of the transferee company for the period ending 30<sup>th</sup> September, 2025 and Audited Financial Statements for the last three financial year.
  - f) Provisional Financials of the transferor company for the period ending 31<sup>st</sup> December, 2025 and Audit financial statements for the last three financial years.
  - g) Other presentations, reports, documents and information furnished before the committee.

## OBSERVATIONS OF THE COMMITTEE OF INDEPENDENT DIRECTORS ON THE SCHEME

### • Salient Features Of The Proposed Scheme

The Committee of independent directors Considered and observed the following salient features in relation to the draft scheme:

- a) The Appointed date for the scheme shall be 01<sup>st</sup> April 2026 ("**Appointed Date**").
- b) 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 and/or be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become the Undertaking of the Transferee Company, by virtue of and in the manner provided for in the Scheme, in accordance with Sections 230 to 232 and other applicable provisions of the Act.
- c) In consideration of the transfer of and vesting of the Undertaking of the Transferor Company in the Transferee Company and in terms of the Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company (whose names are registered in the Register of Members of the Transferor Company/register of beneficial owner with depository on the record date, or his/her/its legal heirs, executors or administrators or as the case may be, successors) as may be fixed for this purpose by the Board of the Transferee Company in consultation with the Transferor Company ("**Record Date**").
- d) Pursuant to the said Scheme, the Transferee Company shall issue shares to the shareholders of the Transferor company in the following share Exchange ratio:

"Shareholders of Viraj Upkram Private Limited shall be issued and allotted 4 fully paid Equity Shares of Rs. 10/- each for every 1 Equity Shares of Rs. 10/- each held in Divine Power Energy Limited, in consideration of the proposed Scheme. ("Share Exchange Ratio")".

The Transferee Company shall issue and allot such equity shares to each shareholder of the Transferor Company whose name appears as on the Record Date. The detailed provisions relating to issue and allotment of shares are mentioned in Clause 9 of the scheme.

- e) Consolidation of the authorized share capital by combining the authorized share capital of the Transferor Company with the authorized share capital of the Transferee Company and consequential increase in the authorized share capital and

alteration of the capital clause of the memorandum of association of the company, as provided in the scheme.

- f) The equity shares proposed to be allotted by the Transferee Company will be listed on the SME Platform of NSE Limited recognized stock exchange having a nationwide trading platform, subject to the Transferee Company obtaining the requisite approvals from all relevant Government Authorities pertaining to listing.
- g) The Transferor Company and the Transferee Company shall follow the method of accounting as per the applicable accounting principles as prescribed under the Accounting Standards as notified under Section 133 of the Act and other generally accepted accounting principles, as may be amended from time to time and relevant clarifications issued by Institute of Chartered Accountants of India. The detailed accounting treatment in respect of the Scheme is set out in Para III of this Scheme
- h) The Transferor Company shall stand dissolved without being wound up as stated in Clause 16 of the Scheme.

• **The Need/ Rationale of the scheme/Synergies of the Business entities involved in the scheme –**

The Board of Directors of the Transferor Company and Transferee Company have proposed to consolidate the operations and management of the Transferor Company into the Transferee Company, as detailed below. The amalgamation of the Transferor Company into and with the Transferee Company would result in:

1. Consolidation and integration of business operations of Transferor Company and Transferee Company which are engaged in similar and/or complementary business activities under a single legal entity to optimally utilize and leverage its existing resources, infrastructure, cash and assets (including immovable properties) for expansion and focused development and growth;
2. Garnering the benefits arising out of enhanced economies of large scale, improved controls, operational flexibility, optimization of overheads, organizational efficiency, rationalization of administrative expenses and optimal utilization of various resources thereby unlocking and maximizing shareholders value;
3. Greater efficiency in cash management and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund consolidated growth;

4. Upon completion of the merger, the Transferee Company will acquire and integrate skilled, competent, experienced and dedicated resources of the Transferor Company, enabling specialized personnel to focus more effectively on business operations. This consolidation of expertise will be better aligned with market requirements and is expected to enhance overall operational and managerial efficiency.
5. Significant synergies through supply chain opportunities and operational improvements, go-to-market and distribution network optimization, scale efficiencies in cost areas;
6. Simplification of corporate structure and reducing the multiplicity of legal and regulatory compliances required at present to be carried out separately by both the Transferor Company and the Transferee Company.

Thus, amalgamation would have beneficial results for Transferor Company and Transferee Company, their shareholders and employees, and all concerned; and such amalgamation will not be prejudicial to the interests of any concerned shareholders or creditors or general public at large.

Accordingly, to achieve the above objectives, Board of Directors of the Transferor Company and the Transferee Company have considered and proposed to make requisite application(s) and/or petition(s) before the National Company Law Tribunal, Mumbai bench under sections 230 to 232 of the Company Act, 2013 and other applicable provisions of the Act (as may be in force), for the sanction of this Scheme to amalgamate the Transferor Company into and with the Transferee Company.

- **Cost Benefit analysis of the scheme**

The Committee of independent directors noted the management's considered view that, while the implementation of the Scheme would entail certain one-time and incidental costs, the long-term strategic, operational, and financial benefits arising from the Scheme are expected to significantly outweigh such costs and would be value-accretive for the Company and its stakeholders.

- **Impact of the scheme on the shareholders are as follows:**

1. The shareholders of the Transferor Company as on the Record Date shall be entitled to equity shares in the Transferee Company on the basis of Share Exchange Ratio determined by CA Gaurang Agarwal, Independent Registered Valuer registered with the Insolvency Bankruptcy Board of India (IBBI) vide registration number IBBI/RV/06/2021/14167, in the Valuation Report submitted to this Committee;
2. The scheme will not adversely affect the rights or interest of any shareholders of the transferee company, in any manner whatsoever;
3. It is expected that combined business will augment revenue growth and profitability.

4. The combined balance sheet will provide diverse strategic options flexibility;
5. The scheme will result in significant cost efficiencies and synergies such as optimization of sales, general & administration costs as well as consolidation of delivery operations in domestic as well as overseas markets.

• **Scheme not detrimental to the shareholders of the Company:**

1. The member of the committee discussed and deliberated upon the rationale and salient features of the scheme.
2. The transferee Company will issue and allot equity share, credit as fully paid up to the shareholders of the transferor Company in accordance with the recommendations under the valuation report and fairness opinion.
3. The equity shares shall be issued by the transferee company to the members of the transferor Company pursuant to the scheme and shall rank pari-pasu in all respect with the existing shares of the company.
4. Considering the overall rationale and benefits of the scheme, committee is of the unanimous view that the scheme will not be detrimental & adversely impact the rights of any shareholders of the transferee Company.

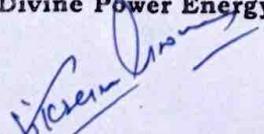
• **Recommendation of Committee of Independent Directors**

The Committee of independent directors after due deliberation and detailed discussion and inter alia , taking in to consideration the draft scheme, valuation report, fairness opinion, accounting treatment certificate issued by statutory auditor of transferee Company etc, audit financial statements of the transferor company and transferee company and other documents, have noted the rationale, benefits and the impact of the scheme on the shareholders and other concerned and noted that the scheme is not detrimental to the shareholders of the transferee Company.

Accordingly, the Independent directors hereby recommends the scheme to the board of directors of the transferee company for its consideration, approval and for favourable consideration by stock exchange, SEBI and other appropriate authorities.

**By order of the Committee of Independent Directors.**

**For and on behalf of  
Divine Power Energy Limited**

  
**Vikram Grover**  
**(Chairman cum Independent Director)**  
**DIN: 09692781**



**Date: 12/01/2026**

**Place: Delhi**