

SAHAJANAND MEDICAL TECHNOLOGIES LIMITED

CIN: U33119GJ2001PLC040121

Registered Office: Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India

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NOTICE CONVENING MEETING OF UNSECURED CREDITORS OF SAHAJANAND MEDICAL TECHNOLOGIES LIMITED PURSUANT TO ORDER DATED JANUARY 30, 2024 AND JANUARY 31, 2024 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH

MEETING	
Day	Tuesday
Date	March 12, 2024
Time	11.00 a.m.
Mode of meeting	Physical mode
Venue	Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India

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FORM NO. CAA. 2
[Pursuant to Section 230 (3) and Rule 6 and 7]

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH

C.A.(CAA)/50(AHM)2023

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF
VASCULAR CONCEPTS LIMITED WITH SAHAJANAND
MEDICAL TECHNOLOGIES LIMITED AND THEIR RESPECTIVE
SHAREHOLDERS ("**SCHEME**")

SAHAJANAND MEDICAL TECHNOLOGIES LIMITED , a company incorporated under the Indian Companies Act, 1956 having CIN: U33119GJ2001PLC040121 and its registered office at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India	
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.. Company / Transferee Company

NOTICE CONVENING MEETING OF THE UNSECURED CREDITORS

To,
All the Unsecured Creditors of
Sahajanand Medical Technologies Limited

1. NOTICE is hereby given that, in accordance with the Order dated January 30, 2024 and January 31, 2024 in the above mentioned Company Application, passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("**Tribunal**") ("**Tribunal Order**"), a Meeting of the Unsecured Creditors of the Company, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Vascular Concepts Limited ("**Transferor Company**") with Sahajanand Medical Technologies Limited ("**Company**" or "**Transferee Company**") and their respective shareholders ("**Scheme**") on Tuesday, March 12, 2024 at 11.00 a.m. (IST).
2. Pursuant to the said Tribunal Order and as directed therein, the meeting of the Unsecured Creditors of the Company ("**Meeting**") will be held, in physical presence, at Sahajanand Estate, Wakharia Wadi, Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India to consider, and if thought fit, to pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act, as amended:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions of the Companies Act, 2013, and the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Ahmedabad Bench ("**Tribunal**"), and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Ahmedabad Bench of the National Company Law Tribunal or by any other regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Amalgamation of Vascular Concepts Limited ("**Transferor Company**") with Sahajanand Medical Technologies Limited ("**Company**")

or “**Transferee Company**”) and their respective shareholders (“**Scheme**”), be and is hereby approved;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.”

3. **TAKE FURTHER NOTICE** that the Unsecured Creditors shall attend and vote at the Meeting in person or by proxy provided that the form of proxy in the prescribed form is duly signed by the Unsecured Creditors or its authorised representative and is deposited at the registered office of the Company at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India not later than 48 (forty-eight) hours before the time fixed for the Meeting. The form of proxy can be obtained free of charge from the registered office of the Company during the normal business hours on working days.
4. A copy of the said Scheme, statement under Sections 230 to 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules along with all annexures to such statement are appended. A copy of this Notice and the accompanying documents can be obtained free of charge at the registered office of the Company or at the office of our advocates viz. Thakkar and Pahwa, Advocates, 71, New York Tower - A, Opp. Muktidham Derasar, Thaltej, Ahmedabad – 380054 and are also placed on the website of the Company at www.smtpl.com.
5. The Tribunal has appointed Mr. Prashant Patel, Independent Practicing Advocate, shall be the Chairperson and in his absence Mr. Dipak Rachchha, Independent Practicing Advocate to be the Chairperson for the Meeting and Ms. Hirva Dave, Independent Practicing Advocate to be the Scrutinizer for the Meeting.
6. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

February 06, 2024

Sd/-
Dipak Rachchha
Chairperson appointed by the Tribunal for the Meeting

Registered office:

Sahajanand Estate, Wakharia Wadi,
Nr. Dabholi Char Rasta, Nani Ved,
Ved Road, Surat – 395 004, Gujarat, India

Notes

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("**Tribunal**") vide its order dated January 30, 2024 and January 31, 2024 ("**Tribunal Order**"), the Meeting of the Unsecured Creditors of the Company is being conducted in physical mode, at the registered office of the Company situated at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India to transact the business set out in the Notice convening this Meeting.
2. The Statement pursuant to Sections 230 to 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("**Act**") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.
3. Corporate Creditors / Entities intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Act are requested to send to the Company at the registered office of the Company, a certified copy of the relevant Board Resolution (in case of Company/LLP) / Letter of Authorization (in case of partnership firm and others), as the case may be, together with their respective specimen signatures authorizing the representative(s) to attend and vote on their behalf at the Meeting, not later than 48 hours before the scheduled time of the commencement of meeting.
4. The quorum for the aforesaid meeting shall be as prescribed under Section 103(1) of the Companies Act, 2013. If the quorum is not present within half an hour from the time appointed for the holding of the meeting, the members present shall be the quorum and the meeting shall be held.
5. During the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, an unsecured creditor is entitled to inspect the proxies lodged during the normal business hours of the Company, provided that notice in writing of not less than 3 (three) days before the commencement of Meeting is given to the Company.
6. The Notice convening the Meeting will be published through advertisement in 'Business Standard' in the English language and translation thereof in 'Sandesh' in the Gujarati language, both having circulation in the State of Gujarat.
7. The unsecured creditors may note that a copy of this Notice and the accompanying documents can be obtained free of charge at the Registered Office of the Company or at the office of our advocates viz. Thakkar and Pahwa, Advocates, 71, New York Tower - A, Opp. Muktidham Derasar, Thaltej, Ahmedabad – 380 054 and are also placed on the website of the Company at www.smtpl.com.

If so desired, unsecured creditors may obtain a physical copy of the Notice and the accompanying documents free of charge, between 10:00 a.m. to 3:00 p.m. on any day (except Saturday, Sunday and public holidays) up to one day prior to the date of the Meeting from the Registered Office of the Company. A written request in this regard, along with relevant details of yours to the Company, may be addressed to the Company Secretary, Ms. Deepshikha Singhal at deepshikha.singhal@smt.in.
8. An unsecured creditor or his/her Proxy is requested to bring the copy of the notice to the Meeting and produce the attendance slip, duly signed and completed, at the entrance of the Meeting venue.
9. Documents referred to in the accompanying Statement shall be open for inspection by the Unsecured Creditors at the Registered Office of the Company during normal business hours on working days up to the date of the Meeting.
10. Unsecured Creditors who have an outstanding balance as on the close of business hours on December 31, 2023, being the cut-off date, will be entitled to exercise their right to vote on the above resolution. The outstanding amount of the Unsecured Creditors of the Company shall be in accordance with the books/register of the Company.

11. The Notice, together with the documents accompanying the same, is sent to all the Unsecured Creditors by e-mail to their respective email address as per the records of the Company or by speed post or courier or by air mail or registered post acknowledgement due, as the case may be, to those Unsecured Creditors whose email address are not available with the Company.
12. In accordance with the provisions of Sections 230 to 232 of the Act read with CAA Rules, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the Unsecured Creditors of the Company, present and voting, in person or by proxy, approve the Scheme.
13. The scrutinizer will submit his report to the Chairperson of the Meeting after completion of the scrutiny of the votes cast by the Unsecured Creditors. The results, together with the consolidated scrutinizer's report will be available at the Registered Office of the Company and the same will be placed on the website of the Company: www.smtpl.com.
14. The Chairperson of the Meeting shall have all powers under the CAA Rules, as may be applicable, in relation to the conduct of the Meeting including for deciding procedural questions that may arise at the Meeting or at any adjournment thereof or any other matter including, an amendment to the Scheme or resolution, if any, proposed at the Meeting by any person(s).
15. Documents for inspection as referred to in the Notice will be available electronically for inspection (without any fee) by the unsecured creditors from the date of circulation of this Notice up to the date of Meeting. Unsecured Creditors seeking to inspect such documents can access the same on the website of the Company at: www.smtpl.com.

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH

C.A.(CAA)/50(AHM)2023

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF VASCULAR CONCEPTS LIMITED WITH SAHAJANAND MEDICAL TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS ("SCHEME")

<p>SAHAJANAND MEDICAL TECHNOLOGIES LIMITED, a company incorporated under the Indian Companies Act, 1956 having CIN: U33119GJ2001PLC040121 and its registered office at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India</p>	<p>.. Company / Transferee Company</p>
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STATEMENT UNDER SECTIONS 230 TO 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ("CAA RULES") TO THE NOTICE OF THE MEETING OF UNSECURED CREDITORS OF SAHAJANAND MEDICAL TECHNOLOGIES LIMITED CONVENED PURSUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH ("TRIBUNAL") DATED JANUARY 30, 2024 AND JANUARY 31, 2024 ("TRIBUNAL ORDER")

I. **MEETING FOR THE SCHEME**

This is a statement accompanying the Notice convening the Meeting of Unsecured Creditors of Sahajanand Medical Technologies Limited ("**Company**"), for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Vascular Concepts Limited ("**Transferor Company**") with Sahajanand Medical Technologies Limited ("**Company**" or "**Transferee Company**") and their respective shareholders ("**Scheme**"). The Scheme provides for the amalgamation of the Transferor Company into the Transferee Company. The Scheme also provides for various other matters consequent and incidental thereto.

The salient features of the Scheme are given in this Statement. The detailed terms of the arrangement may be referred to in the Scheme, appended as '**Annexure I**'.

Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

II. **DATE, TIME AND MODE OF MEETING**

Pursuant to an order dated January 30, 2024 and January 31, 2024 passed by the Hon'ble Tribunal in Company Application viz. C.A.(CAA)/50(AHM)2023, the Meeting of the Unsecured Creditors of the Company, will be held on Tuesday, March 12, 2024 at 11 a.m. (IST) for the purpose of their considering and, if thought fit approving, with or without modification(s), the said Scheme, in physical presence, at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India.

III. **RATIONALE AND BENEFITS OF THE SCHEME**

1. *The Transferee Company is desirous of consolidating the assets and liabilities of the Transferor Company pursuant to amalgamation.*
2. *The Scheme will result in the following benefits:*

- a. *The proposed consolidation will bring the entire value chain of the transferor Company under one umbrella driving scale and derive benefit out of combined resources, better synergies, optimal utilisation of resources and greater economies of scale and operating efficiencies;*
 - b. *More efficient utilization of capital for enhanced development and growth of the consolidated business under a single entity;*
 - c. *Enable opportunities for employees of the parties to grow, by bringing them into a common pool; and*
 - d. *Elimination of multiple entities, legal and regulatory compliances and, reduction of administrative costs.*
3. *The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Parties (as defined in the Scheme).*

IV. **BACKGROUND OF THE COMPANIES**

A. **Particulars of the Company / Transferee Company**

(i) **SAHAJANAND MEDICAL TECHNOLOGIES LIMITED** was incorporated on October 18, 2001, as a private company, under the provisions of the Companies Act, 1956 under the name and style of ‘Sahajanand Medical Technologies Private Limited’. The name of the Company “Sahajanand Medical Technologies Private Limited” was changed to “Sahajanand Medical Technologies Limited”, pursuant to conversion of the Company from private limited to public limited on May 7, 2021. A certificate of incorporation consequent upon conversion from private company to public company was issued by the Registrar of Companies, Ahmedabad. The CIN of the Company is U33119GJ2001PLC040121 and PAN is: AAFC57694L. The e-mail address of the Company is deepshikha.singhal@smt.in and website is <https://smtpl.com/>. The registered office of the Company is situated at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India. The equity shares of the Company are not listed on any of the stock exchanges.

(ii) During the last five years, there has been no change in the registered office of the Company.

(iii) Main objects of the Company, as per its Memorandum of Association, have been reproduced below for the perusal of the Unsecured Creditors:

“To carry on business of manufacturers marketing, importers, exporters, sellers, buyers, agents, stockiest, suppliers of all kinds of Vascular Interventional products like stents, PTCA Catheters & Accessories, grafts, prosthesis, drugs, lasers, altherectomy equipments and other related devices and instruments.”

During the last five years, there has been no change in the objects clause of the Company.

(iv) The Company is engaged in the business of manufacturing, trading and marketing, import, export, sell, buy, supply of all kinds of vascular interventional products like stents, PTCA catheters and accessories, grafts, prosthesis, drugs, lasers, altherectomy equipment and other related devices and instruments.

(v) The Share Capital of the Company (as on the date of this Notice) is as follows:

Particulars	Amount in INR
Authorised share capital	

Particulars	Amount in INR
15,00,00,000 equity shares of INR 1/- each	15,00,00,000
TOTAL	15,00,00,000
Issued, subscribed and paid-up share capital	
10,14,03,232 equity shares of INR 1/- each, fully paid – up	10,14,03,232
TOTAL	10,14,03,232

Subsequent to the above, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Company.

- (vi) The latest annual financial statements of the Company have been audited for the financial year ended on March 31, 2023. The provisional financial statement of the Transferee Company as on December 31, 2023 is appended as 'Annexure II'.
- (vii) The details of Promoters and Directors of the Company (as on the date of this Notice) along with their addresses are mentioned herein below:

Promoter / Promoter Group		
Name	Category	Address
M/s. Amicorp Trustees India Private Limited (as a Trustee of Shree Hari Trust)	Promoter	63, Maker Chambers VI, Nariman Point, Mumbai – 400 021, Maharashtra, India
Mr. Bhargav Dhirajlal Kotadia	Promoter	43 to 48, Narayanmuni Nagar, Near Shri Swami Narayan Gurukul, Ved Road, Nani Ved, Surat, Katargam -395 004, Gujarat, India

Details of Directors		
Name	Designation	Address
Mr. Gautam Gode	Director	House No. 139, Madan Lal Block, Asian Games Village, Andrewsani, South Delhi – 110 049, India
Mr. Harivadan Jagadish Pandya	Director	5304, Gordan DR., Centreville, VA-20120 - 4147, USA
Mr. Jose Calle Gordo	Director	11, Eaton Park, Queen Anne House, Cobham Surrey Surrey Spain -KT112JF
Ms. Vyanjana Kirtibhai Pandya	Director	5304, Gordan DR., Centreville, VA - 20120 - 4147, USA
Mr. Bhargav Dhirajlal Kotadia	Managing Director	43 to 48, Narayanmuni Nagar, Near Shri Swami Narayan Gurukul, Ved Road, Nani Ved, Surat, Katargam -395 004, Gujarat, India
Mr. Abhishek Kabra	Director	Flat 205, Grandeur Tower, Vasant Marvel Complex, Off Western Express Highway, Near Magathane Telephone Exchange, Borivali - 400 066, Mumbai, Maharashtra, India
Mr. Dhirajlal Vallabhbai Kotadia	Director	43 to 48, Narayanmuni Nagar, Near Shri Swami Narayan Gurukul, Ved Road, Nani Ved, Surat – 395 004, Gujarat, India

Mr. Ganesh Prasad Sabat	Director & CEO	Flat No 2004 & 2005, Splendor Complex CHSL., Jogeshwari Vikhroli Link Road, Andheri (East) - 400 093, Mumbai, Maharashtra, India
Mr. Debasis Panigrahi	Director	403, Tower 1, Z1 (Advait) Apartments, Nandankanan Road, Kalarahanga, Khorāda, Bhubaneswar – 751 024, Orissa, India
Ms. Sonalika Dhar	Director	212, Nirmal Nivas Building, Flat No. 5, Road No. 5, Shivaji Park Road, Mahim – 400 016, Maharashtra, India

B. Particulars of the Transferor Company (Vascular Concepts Limited)

- (i) **VASCULAR CONCEPTS LIMITED** was incorporated on May 25, 1992, as a private company, under the provisions of the Companies Act, 1956 under the name and style of '*Medical Concepts (Bangalore) Private Limited*'. The name of the Transferor Company was changed to "Vascular Concepts Private Limited" on 16th February 2001. Further, the name of the Transferor Company was changed to "Vascular Concepts Limited", pursuant to conversion of the Company from private limited to public limited on September 15, 2006. A certificate of incorporation consequent upon conversion from private company to public company was issued by the Registrar of Companies, Delhi. The CIN of the Company is U33119GJ1992PLC141664, and PAN is: AAACM8353R. The e-mail address of the Company is manohar@vascularconcepts.com . The registered office of the Transferor Company is situated at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India. The registered office of the Transferor Company was shifted from the State of Delhi to State of Gujarat pursuant to the certificate of registration from the Regional Director, Ahmedabad on May 30, 2023. The equity shares of the Transferor Company are not listed on any of the stock exchanges.
- (ii) Main objects of the Transferor Company, as per its Memorandum of Association, have been reproduced below for the perusal of the Unsecured Creditors:
- "To carry on the business of manufacturers, producers, refiners, processors, exporters, importers, distributors, traders, merchants, dealers, manufacturers, representatives, selling agents, buying agents, repackers, buyers, sellers, wholesalers, retailers, suppliers, stockiest of all kinds and varieties of vascular prostheses, surgical instruments and furniture's, medical equipment's, diagnostic equipment's and instruments, medical kits, disposable and non-disposable syringes, disposable and non-disposable needles, urine collection bags, uro-bags, poly mask, oxygen, tent, netalon, catheters, Foley's catheters, endotracheal tubes, tracheostomy tubes (plain/cuffed), nasal oxygen catheters, epidural, cannula, umbilical cannula, scalp vein sets, intravenous cannula, intra catheter, Ryles tubes, Levin's tubes, infant feeding tubes, rectal catheter, Romo Vac sets, Pertioneal dialysis catheter sets, Peritoneal dialysis transfusion sets, Peritoneal catheter, colostomy kits, infant mucus extractor, sterivae cannuta, blood admiration sets, blood donors sets, regular fluid infusion sets, measure volume sets, infusion sets, micro sets, plasma aspiration sets, disposable and non-disposable gloves, S.V. and I.V. cannula. V.A. shunt, stethoscopes, sphygmomanometers, ampoules, butterfly needles, microscopes, ophthalmic instruments and equipment's, otoscopes medical containers, thermometers, plastic and aluminium collapsible tubes and disposable and non-disposable surgical instruments and kits."*
- (iii) Since incorporation, there has been no change in the objects clause of the Transferor Company.
- (iv) The Transferor Company is engaged in the business of manufacturing and sale of varieties of vascular prostheses and surgical instruments and devices.
- (v) The Share Capital of the Transferor Company (as on the date of this Notice) is as follows:

Particulars	Amount in INR
Authorised share capital	
2,00,000 Equity Shares of INR 100/- each	2,00,00,000
TOTAL	2,00,00,000
Issued, subscribed and paid-up share capital	
1,57,854 Equity Shares of INR 100/- each fully paid up	1,57,85,400
TOTAL	1,57,85,400

Subsequent to the above, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company.

(vi) The latest annual financial statements of the Transferor Company have been audited for the financial year ended on March 31, 2023. The provisional financial statement of the Transferor Company as on December 31, 2023, is appended as 'Annexure III'.

(vii) The details of Promoters and Directors of the Transferor Company (as on the date of this Notice) along with their addresses are mentioned herein below:

Promoter / Promoter Group details		
Name	Category	Address
M/s. Sahajanand Medical Technologies Limited	Promoter	Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India
Mr. Bhargav Dhirajlal Kotadia*	Promoter	43 to 48, Narayanmuni Nagar, Near Shri Swami Narayan Gurukul, Ved Road, Nani Ved, Surat, Katargam – 395 004, Gujarat, India
Mr. Dhirajlal Vallabhbai Kotadia*	Promoter	43 to 48, Narayanmuni Nagar, Near Shri Swami Narayan Gurukul, Ved Road, Nani Ved, Surat-395 004, Gujarat, India
Mr. Kishor Dudhat Dhirajlal*	Promoter	B 405, Shrijee Complex, Near Gav Shala, A.K. Road, Surat – 395 008, Gujarat, India
Mr. Ganesh Prasad Sabat*	Promoter	Flat No 2004 And 2005, Splendor Complex CHSL., Jogeshwari Vikhroli Link Road, Andheri East – 400 093, Mumbai, Maharashtra, India
Mr. Sharada Dhirajlal Kotadia*	Promoter	43,44, Narayan Muni Nagar Society, B/H Swaminarayan Gurukul, Ved Road, Nani Ved, Surat – 395 004, Surat, Gujarat, India

*As a nominee of Sahajanand Medical Technologies Limited

Details of Directors		
Name	Designation	Address
Mr. Ganesh Prasad Sabat	Director	Flat No 2004 And 2005, Splendor Complex CHSL., Jogeshwari Vikhroli Link Road, Andheri East – 400 093, Mumbai, Maharashtra, India
Mr. Bhargav Dhirajlal Kotadia	Director	43 to 48, Narayanmuni Nagar, Near Shri Swami Narayan Gurukul, Ved Road, Nani Ved, Surat, Katargam – 395 004, Gujarat, India

Mr. Amod Vijay Bhave	Director	A/702, the Residency Goregaon CHS Vishweshar Road, Off Aarey Road, Goregaon East, Mumbai – 400 063, Maharashtra, India
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V. SALIENT FEATURES OF THE SCHEME

The salient features of the Scheme, *inter alia*, are as stated below. The capitalized terms used herein shall have the same meaning as ascribed in the Scheme.

- (a) This Scheme is presented under Sections 230 to 232 and other applicable provisions of the Act read with Section 2(1B) and applicable provisions of the Income Tax Act and other applicable law, if any and provides for the amalgamation of the Transferor Company with the Transferee Company and dissolution of Transferor Company without winding up and also provides for various other matters consequent and incidental thereto or otherwise integrally connected thereto.
- (b) The 'Appointed Date' of the Scheme shall be April 1, 2023 or such other date as may be decided by the Board of the Parties (*as defined in the Scheme*).
- (c) 'Effective Date' means last of date on which the certified copies of the orders of the Tribunal sanctioning the Scheme is filed by the Transferor Company and the Transferee Company with the jurisdictional Registrar of Companies; and
- (d) The Scheme, as may be approved or imposed or directed by the Tribunal shall become effective from the Appointed Date but shall be operative from the Effective Date. Upon the Scheme becoming effective, the Transferor Company along with all its assets, liabilities, contracts, employees, records etc. being its integral part shall stand transferred to the Transferee Company as a going concern subject to the provisions of the Scheme.
- (e) Consideration on amalgamation of the Transferor Company with the Transferee Company
- Upon effectiveness of this Scheme and in consideration of and subject to the provisions of this Scheme, the Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company whose name is recorded in the register of members and records of the depository as members of the Transferor Company as on the Effective Date, as under:
- "4529 (Four Thousand Five Hundred and Twenty-Nine only), 12.38% cumulative redeemable preference share of face value of INR 10/- each of Sahajanand Medical Technologies Limited, shall be issued and allotted for every 10 (Ten) fully paid-up equity share of INR 100/- each held by equity shareholders in Vascular Concepts Limited."*
- (f) Reclassification and Combination of 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 of the Transferee Company as provided in Part II Clause 10 of the Scheme.
- (g) Dissolution of the Transferor Company pursuant to the Scheme
- Upon amalgamation of the Transferor Company with the Company, the Transferor Company shall stand dissolved without winding up. On and from the Effective Date (as defined in the Scheme), the name of the Transferor Company shall be struck off from the records of the concerned Registrar of Companies.

Note: The above are the salient features of the Scheme. The Unsecured Creditors are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

VI. **RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME**

The Transferee Company holds 99.99% of share capital in the Transferor Company.

VII. **BOARD APPROVALS**

- A. The Board of Directors of the Company at its Meeting held on June 19, 2023, unanimously approved the Scheme, as given below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr. Bhargav Kotadia	Voted in favour
Mr. Abhishek Kabra	Voted in favour
Mr. Ganesh Sabat	Voted in favour
Mr. Gautam Gode	Voted in favour
Mr. Harivadan Pandya	Voted in favour
Mr. Jose Calle Gordo	Voted in favour
Mrs. Vyanjana Pandya	Voted in favour
Mr. Dhirajlal Kotadia	Leave of Absence

- B. The Board of Directors of the Transferor Company at its Meeting held on June 20, 2023 unanimously approved the Scheme, as given below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr. Ganesh Prasad Sabat	Voted in favour
Mr. Amod Vijay Bhawe	Voted in favour
Mr. Bhargav Kotadia	Leave of Absence

VIII. **INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMPS) AND THEIR RELATIVES**

None of the Directors, KMPs of the Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Company has not issued any debentures and hence, does not have Debenture Trustee.

None of the Directors of the Transferor Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or their respective relatives has any material interest in the Scheme. The Transferor Company has not issued any debentures and hence, does not have Debenture Trustee.

IX. **EFFECT OF SCHEME ON STAKEHOLDERS**

The effect of the Scheme on various stakeholders is summarised below:

Shareholders, Key Managerial Personnel, Promoter and Non-Promoter Shareholders

The effect of the Scheme on the shareholders, key managerial personnel, promoter and non-promoter shareholders of the Company and the Transferor Company are appended in the attached reports i.e. '**Annexure IV and Annexure V**', respectively, adopted by the respective Board of Directors of the Company and the Transferor Company, respectively, at their meeting held on June 19, 2023 pursuant to the provisions of Section 232(2)(c) of the Act.

Directors

No change in the Board of Directors of the Company is envisaged pursuant to the Scheme. Pursuant to the Scheme, the Transferor Company will be dissolved without winding up. Therefore, the office of the existing Directors will cease on dissolution of the Transferor Company.

Employees

Pursuant to the Scheme, all employees of the Transferor Company shall become employees of the Transferee Company, without any interruption in service, on terms and conditions no less favorable than those on which they are engaged by the Transferor Company.

Creditors

Pursuant to the Scheme, all creditors of the Transferor Company will become creditors of the Transferee Company.

The rights of the respective creditors of the Company and Transferor Company shall not be impacted pursuant to the Scheme and there will be no reduction in their claims on account of the Scheme. There is no likelihood that the respective creditors of the Company and Transferor Company would be prejudiced in any manner as a result of the Scheme being sanctioned.

Debenture holders and Debenture Trustees

The Company and the Transferor Company have not issued any debentures and accordingly have not appointed any debenture trustee(s).

Depositors and Deposit Trustees

The Company and the Transferor Company have not taken any deposits within the meaning of the Act and Rules framed thereunder and accordingly have not appointed any deposit trustee(s)

X. **NO INVESTIGATION PROCEEDINGS**

There are no proceedings pending under Sections 210 to 227 of the Act against the Company or the Transferor Company.

XI. **AMOUNTS DUE TO UNSECURED CREDITORS**

The amount due to unsecured creditors by the respective companies, as on December 31, 2023 is as follows:

Sr. No.	Particulars	Amount in INR
1.	Vascular Concepts Limited	10,07,23,342
2.	Sahajanand Medical Technologies Limited	59,34,20,809

XII. DETAILS OF CAPITAL OR DEBT RESTRUCTURING, IF ANY

The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.

XIII. VALUATION REPORT

A copy of the share entitlement ratio report dated June 19, 2023 issued by CS Shreyansh M Jain, Registered Valuer (S & FA) (Registration No. IBBI/RV/03/2019/12124) (“Share Exchange Ratio Report”), in connection with the Scheme is appended as ‘Annexure VI’.

XIV. SHAREHOLDING PATTERN

A. The pre and post Scheme shareholding pattern of the Parties is as follows:

i. Company

The pre & post scheme equity shareholding pattern of the Company is as follows (based on shareholding data as on December 31, 2023):

Category of shareholder	Pre		Post	
	No. of shares	% of Holding	No. of shares	% of Holding
Promoter	3,73,14,589	36.80	3,73,14,589	36.80
Public	6,40,88,643	63.20	6,40,88,643	63.20
Custodian	-	-	-	-
Total	10,14,03,232	100	10,14,03,232	100

The pre & post scheme preference shareholding pattern of the Company is as follows (based on shareholding data as on December 31, 2023):

Category of shareholder	Pre		Post	
	No. of shares	% of Holding	No. of shares	% of Holding
Promoter	-	-	-	-
Public	-	-	4529	100
Custodian	-	-	-	-
Total	-	-	4529	100

ii. Transferor Company

The pre & post scheme shareholding pattern of the Transferor Company is as follows (based on shareholding data as on December 31, 2023):

Category of shareholder	Pre		Post*	
	No. of shares	% of Holding	No. of shares	% of Holding
Promoter	157,844	99.99	Not applicable	
Public	10	0.01		
Custodian	-	-		
Total	1,57,854	100		

*Post Scheme, the Transferor Company will be dissolved without winding up.

B. Pre/ Post Scheme capital structure of the Transferee Company and the Transferor Company

i. Transferee Company

The pre-scheme capital structure of the Company is given in Paragraph XIII(A)(i) above. The post scheme indicative capital structure of the Company will be as follows:

Share Capital	Amount (in INR)
Authorized Share Capital	
16,99,00,000 Equity Shares of INR 1/- each	16,99,00,000
10,000 Preference Shares of INR 10/- each	1,00,000
TOTAL	17,00,00,000
Issued, Subscribed and Paid-up Share Capital	
10,14,03,232 equity shares of INR 1/- each, fully paid – up	10,14,03,232
4,529 12.38% cumulative redeemable preference share of INR 10/- each, fully paid-up	45,290
TOTAL	10,14,48,522

ii. Transferor Company

The pre-scheme capital structure of the Transferor Company is given in Paragraph XIII(A)(ii) above. Post-scheme indicative capital structure of the Transferor Company is not applicable as the Transferor Company will be dissolved without winding up pursuant to the Scheme.

XV. **AUDITORS CERTIFICATE ON CONFORMITY OF ACCOUNTING TREATMENT IN THE SCHEME WITH ACCOUNTING STANDARDS**

The Statutory Auditors of the Company have confirmed that the accounting treatment in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act and other Generally Accepted Accounting Principles in India. Copy of the statutory auditor's certificate is appended as 'Annexure VII'.

XVI. A copy of the Scheme has been filed by the Transferee Company and the Transferor Company with the jurisdictional Registrar of Companies.

XVII. The notice of the Meeting along with the copy of the Scheme in the prescribed form, will be served on all concerned authorities in terms of the Tribunal Order. Copy of the Tribunal order is appended as 'Annexure VIII'.

XVIII. **INSPECTION OF DOCUMENTS**

In addition to the documents appended hereto, the following documents will be available for inspection and for obtaining extracts of or making copies of, by unsecured creditors of the Company at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India, during normal business hours on working days prior to the date of the meeting:

- (a) Copy of the Tribunal Order;
- (b) Memorandum and Articles of Association of the Company and the Transferor Company
- (c) Audited Financial Statements of the Company and the Transferor Company for the year ended March 31, 2023;
- (d) Provisional Financial Statement as on December 31, 2023 for the Transferee Company
- (e) Provisional Financial Statement as on December 31, 2023 for the Transferor Company;
- (f) Copy of the Scheme
- (g) Copy of the Board Resolutions dated June 19, 2023 and June 20, 2023 of the Transferee

Company and the Transferor Company, respectively.

- (h) Certificate of the Statutory Auditor of the Company confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and other Generally Accepted Accounting Principles in India.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its equity shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the Unsecured Creditors.

A copy of this Scheme, Statement, Form of Proxy and Attendance Slip may be obtained free of charge on any working day prior to the date of the meeting, from the registered office of the Company situated at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India.

Ahmedabad, February 06, 2024

Sd/-

Dipak Rachchha
Chairperson appointed by the Tribunal for the Meeting

Registered office:

Sahajanand Estate,
Wakharia Wadi Nr. Dabholi Char Rasta,
Nani Ved, Ved Road,
Surat - 395004, Gujarat, India
Telephone: +91 261 6112800
Website: www.smtpl.com

SCHEME OF AMALGAMATION

OF

**VASCULAR CONCEPTS LIMITED
("TRANSFEROR COMPANY")**

WITH

**SAHAJANAND MEDICAL TECHNOLOGIES LIMITED
("TRANSFEEE COMPANY")**

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

(A) DESCRIPTION OF COMPANIES

1. **Vascular Concepts Limited ("Transferor Company")** is a company incorporated under the provisions of the Companies Act, 1956. The Transferor Company is engaged in the business of manufacturing and sale of varieties of vascular prostheses and surgical instrument and devices.
2. **Sahajanand Medical Technologies Limited ("Transferee Company")** is a company incorporated under the provisions of the Companies Act, 1956. The Transferee Company is engaged in the business of manufacturing, trading and marketing, import, export, sell, buy, supply of all kinds of vascular interventional products like stents, PTCA catheters and accessories, grafts, prosthesis, drugs, lasers, altherectomy equipment and other related devices and instruments.

(B) OVERVIEW OF THE SCHEME

This Scheme (*as defined hereinafter*) is presented under Sections 230 to 232 and other applicable provisions of the Act read with Section 2(1B) and other applicable provisions of the Income Tax Act (*as defined hereinafter*) and provides for the amalgamation of the Transferor Company with the Transferee Company. This Scheme also provides for various other matters consequent and incidental thereto.

(C) RATIONALE AND BENEFITS

1. The Transferee Company is desirous of consolidating the assets and liabilities of the Transferor Company pursuant to amalgamation.
2. The Scheme will result in the following benefits:
 - (a) The proposed consolidation will bring the entire value chain of the Transferor Company under one umbrella driving scale and derive benefit out of combined resources, better synergies, optimal utilisation of resources and greater economies of scale and operating efficiencies;
 - (b) More efficient utilization of capital for enhanced development and growth of the consolidated business under a single entity;

- (c) Enable opportunities for employees of the parties to grow, by bringing them into a common pool; and
 - (d) Elimination of multiple entities, legal and regulatory compliances and reduction of administrative costs.
3. The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Parties (*as defined hereinafter*).

(D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- 1. **PART I** deals with the definitions, share capital of the Parties, date of taking effect and implementation of this Scheme;
- 2. **PART II** deals with amalgamation of the Transferor Company with the Transferee Company; and
- 3. **PART III** deals with the general terms and conditions applicable to this Scheme.

**PART - I
DEFINITIONS, SHARE CAPITAL OF THE PARTIES AND DATE OF
TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME**

1. DEFINITIONS

In this Scheme, (i) capitalised terms defined by inclusion in quotations and/ or parenthesis shall have the meanings so ascribed; and (ii) the following expressions shall have the meanings ascribed hereunder:

“Act” means the Companies Act, 2013 as amended from time to time, and shall include any statutory re-enactment thereof and shall include all rules, circulars, notifications, guidelines made or issued in relation thereto;

“Applicable Law” or **“Law”** means any applicable national, foreign, provincial, local or other law including applicable provisions of all: (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, Tribunal; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;

“Appointed Date” means the opening business hours of 1st April 2023, or such other date as may be decided by the Board of the Parties;

“Appropriate Authority” means:

- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunals, central bank, commission or other authority thereof; and
- (b) any governmental, quasi-governmental or private body, self-regulatory organisation, or

agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, clearing corporations and the Tribunal.

“Board” in relation to the Parties, means the board of directors of such Party, and shall include any person authorized by such board of directors;

“Effective Date” means last of the date on which the certified copies of the orders of Tribunal sanctioning this Scheme, is filed by the respective Parties with the jurisdictional Registrar of Companies.

Reference in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“effect of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date;

“Encumbrance” means: (a) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **“Encumber”** shall be construed accordingly;

“Income Tax Act” means the Income-tax Act, 1961;

“INR” or **“Rupee(s)”** means Indian Rupee, the lawful currency of the Republic of India;

“Parties” means the Transferor Company and the Transferee Company, collectively; and **“Party”** shall mean each of them, individually.

“Permits” means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

“Person” means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

“RoC” means the relevant jurisdictional Registrar of Companies having jurisdiction over the Parties;

“Scheme” or **“this Scheme”** means this scheme of amalgamation, as may be modified;

“Tax Laws” means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax/ value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;

“Taxation” or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in

respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to any of the Parties or any other Person and all penalties, charges, costs and interest relating thereto;

“Transferee Company” means Sahajanand Medical Technologies Limited, a company incorporated under the provisions of the Companies Act, 1956, having corporate identification number U33119GJ2001PLC040121 and its registered office at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat - 395004, Gujarat, India;

“Transferor Company” means Vascular Concepts Limited, a company incorporated under the provisions of the Companies Act, 1956, having corporate identification number U33119GJ1992PLC141664 and its registered office at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat - 395004, Gujarat, India;

“Tribunal” means the Ahmedabad bench of the National Company Law Tribunal having jurisdiction over the Parties.

1.1 In this Scheme, unless the context otherwise requires:

1.1.1 words denoting the singular shall include the plural and *vice versa*;

1.1.2 any Person includes that Person’s legal heirs, administrators, executors, liquidators, successors, successors-in-interest and permitted assigns, as the case may be;

1.1.3 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same; and

1.1.4 the words “include” and “including” are to be construed without limitation.

2. SHARE CAPITAL

2.1 The share capital structure of Transferor Company as on date of its Board approving the Scheme is as follows:

Particulars	Amount (In INR)
Authorized Share Capital	
2,00,000 equity shares of INR 100 each	2,00,00,000
Total	2,00,00,000
Issued, subscribed and paid-up share capital	
1,57,854 equity shares of INR 100 each	1,57,85,400
Total	1,57,85,400

Subsequent to the above, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company.

2.2 The share capital structure of Transferee Company as on date of its Board approving the Scheme is as follows:

Particulars	Amount (In INR)
Authorized Share Capital	

15,00,00,000 equity shares of INR 1 each	15,00,00,000
Total	15,00,00,000
Issued, subscribed and paid-up share capital	
10,14,03,232 equity shares of INR 1 each	10,14,03,232
Total	10,14,03,232

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme in its present form or with any modification(s) made as per Clause 16 of this Scheme, shall be effective from the Appointed Date but shall become operative from the Effective Date.

PART – II

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFeree COMPANY

4. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY

4.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company shall stand transferred to and vested in the Transferee Company as a going concern and accordingly, all assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferee Company, and in the manner provided in this Scheme.

4.2 Upon coming into effect of this Scheme and with effect from the Appointed Date, without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer and vesting of assets and liabilities of the Transferor Company under this Scheme, is as follows:

4.2.1 In respect of such of the assets and properties of the Transferor Company which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Transferor Company, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights, trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

4.2.2 Subject to Clause 4.2.3 below, with respect to the assets of the Transferor Company, other than those referred to in Clause 4.2.1 above, including all rights, title and

interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date, by operation of law as transmission or as the case may be in favour of Transferee Company;

- 4.2.3 In respect of such of the assets and properties of the Transferor Company which are immovable in nature, including rights, interest and easements in relation thereto, the same shall stand transferred to the Transferee Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Transferor Company and/or the Transferee Company;
- 4.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 4.2.3 above and Clause 4.2.5 below, it is clarified that, with respect to the immovable properties of the Transferor Company in the nature of land and buildings, the Transferor Company and/ or the Transferee Company shall register the true copy of the orders of the Appropriate Authority approving the Scheme with the offices of the relevant sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 4.2.4 or Clause 4.2.5 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any property of the Transferor Company takes place and the assets and liabilities of the Transferor Company shall be transferred solely pursuant to and in terms of this Scheme and the order of the Appropriate Authority sanctioning this Scheme;
- 4.2.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties of the Transferor Company in the nature of land and buildings situated in states other than the state of Gujarat, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and vesting in the Transferee Company, if the Transferee Company so decides, the Transferor Company and/ or the Transferee Company, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 4.2.6 All debts, liabilities, duties and obligations of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to

the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 4;

- 4.2.7 On and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company, as may be applicable, and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company;
- 4.2.8 Unless otherwise agreed between the Parties, the vesting of all the assets of the Transferor Company, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Company with the Transferee Company, and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company;
- 4.2.9 Unless otherwise stated in this Scheme, all Permits, including the benefits attached thereto of the Transferor Company, shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Company without any hindrance, whatsoever;
- 4.2.10 Without prejudice to the provisions as stated above, all trade and service names and marks, patents, copyrights, designs, goodwill which includes the positive reputation that the Transferor Company was enjoying to retain its clients, statutory licenses, infrastructural advantages, overall increase in market share, customer base, skilled employees, business claims, business information, business contracts, trade style and name, marketing and distribution channels, marketing or other commercial rights, customer relationship, trade secrets, information on consumption pattern or habits of the consumers in the territory, technical know-how, client records, KYC (know your customer) records/ POAs (power of attorney), authorisations, client details and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company shall be transferred to the Transferee Company from the

Appointed Date, without any further act, instrument or deed;

- 4.2.11 All contracts where the Transferor Company is a party, shall stand transferred to and vested in the Transferee Company pursuant to this Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Transferee Company shall, wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause; and
- 4.2.12 Provided that, upon this Scheme coming into effect, all inter-company transactions including loans, contracts executed or entered into by or *inter se* between the Parties, if any, shall stand cancelled with effect from the Effective Date and neither the Transferor Company and/or Transferee Company shall have any obligation or liability against the other party in relation thereto.
- 4.3 Without prejudice to the provisions of the foregoing sub-clauses of Clause 4.2, the Parties may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Transferor Company, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company. The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Company transferred and/ or registered in its name.

5. EMPLOYEES

- 5.1 With effect from the Effective Date and as on the date of scheme submission, all employees of the Transferor Company shall become employees of the Transferee Company, without any interruption in service, all employees of the Transferor Company on terms and conditions no less favourable than those on which they are engaged by the Transferor Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company with any Persons in relation to the employees of the Transferor Company. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.
- 5.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company.

6. LEGAL PROCEEDINGS

With effect from the Effective Date, if any suit, cause of action, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatsoever nature by or against the Transferor Company pending on the Effective Date, the same shall not abate, be discontinued

or be in any way prejudicially affected by anything contained in this Scheme, but such proceedings of the Transferor Company may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.

7. TAXES/ DUTIES/ CESS

Upon coming into effect of this Scheme and with effect from the Appointed Date, by operation of law pursuant to the order of the Appropriate Authority:

- 7.1 All the profits or income taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, minimum alternate tax credit, any credit for dividend distribution tax on dividend received by the Transferor Company), all input credit balances (including but not limited to CENVAT/ MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws) or any costs, charges, expenditure accruing to the Transferor Company in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (namely advance tax, Tax deducted at source, Tax collected at source, dividend distribution tax & foreign tax credits), tax losses, minimum alternate tax credit, dividend distribution tax credit, input credit balances (namely CENVAT/ MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws, income costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 7.2 If the Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, such as tax deferrals, exemptions, benefits and subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and all such benefits under all such incentive schemes and policies as mentioned above shall be available and stand vested in the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- 7.3 With effect from the Effective Date, the Transferee Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/ or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, etc., if any, as may be required for the purposes of implementation of the Scheme.
- 7.4 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Appropriate Authority having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realise the same, stands transferred to the Transferee

Company.

8. CONSIDERATION

- 8.1 Upon effectiveness of this Scheme and in consideration of the and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company whose name is recorded in the register of members and records of the depository as members of the Transferor Company as on the Effective Date, as under:

“4529 (Four Thousand Five Hundred and Twenty-Nine only), 12.38% cumulative redeemable preference share of face value of INR 10/- each of Sahajanand Medical Technologies Limited, shall be issued and allotted for every 10 (Ten) fully paid-up equity share of INR 100/- each held by equity shareholders in Vascular Concepts Limited.”

The preference shares of the Transferee Company to be issued shall be referred to as **“Transferee Company New Preference Shares”** and the terms for such shares are provided in **Annexure I**.

- 8.2 The Transferee Company New Preference Shares shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company, as the case may be, and shall rank *pari passu* in all respects with any existing shares of Transferee Company, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the shares of the Transferee Company.
- 8.3 No equity or preference shares shall be issued by the Transferee Company in respect of the shares of the Transferor Company held by the Transferee Company, held either directly or through nominees. Upon the Scheme becoming effective, all equity shares of the Transferor Company held by the Transferee Company, held either directly or through nominees, shall stand cancelled without any further application, act, instrument or deed and be of no effect without any necessity of them being surrendered.
- 8.4 The issue and allotment of Transferee Company New Preference Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Laws as may be applicable were duly complied with. It is clarified that the approval of the shareholders of the Transferee Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of Transferee Company New Preference Shares.
- 8.5 The Transferee Company New Preference Shares issued by the Transferee Company pursuant to Clause 8.1 above, shall be issued in dematerialised form. The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of Transferee Company New Preference Shares in terms of this Scheme. The shareholders of the Transferor Company who hold shares in physical form, should provide the requisite details relating to his/her/its account with a depository participant or other confirmations in writing as may be required, to the Transferor Company and/or its registrar or the Transferee Company, within 20 days of the Effective Date to enable the Transferee Company to issue the Transferee Company New Preference Shares in dematerialised form. In case, no such details have been provided by any shareholder who holds

shares in the Transferor Company in physical form, the Transferee Company may allot the Transferee Company New Preference Shares in physical form to such shareholder.

- 8.6 For the purpose of allotment of the Transferee Company New Preference Shares pursuant to this Scheme, in case any shareholder's holding in any of the Transferor Company is such that the shareholder becomes entitled to a fraction of share of the Transferee Company, the Transferee Company shall round the same up to the next integer.
- 8.7 The Transferee Company New Preference Shares to be issued pursuant to this Scheme in respect of any shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Transferee Company.
- 8.8 In the event, the Transferor Company and/ or the Transferee Company restructure their share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the share entitlement ratio, per Clause 8.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.

9. ACCOUNTING TREATMENT IN THE BOOKS OF SAHAJANAND MEDICAL TECHNOLOGIES LIMITED (TRANSFEEE COMPANY)

Upon the Scheme being effective and with effect from the Appointed Date, SMT / Transferee Company shall account for the amalgamation, at book values, in accordance with Appendix C of Indian Accounting Standard 103 on Business Combinations and other Indian Accounting Standards, as applicable, and notified under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India.

10. RECLASSIFICATION AND COMBINATION OF AUTHORISED SHARE CAPITAL

- 10.1 Upon the coming into effect of this Scheme, the authorised share capital of the Transferor Company can be reclassified from INR 2,00,00,000 (Rupees Two Crore only) comprising of INR 2,00,00,000 (Rupees Two Crore only) divided into 2,00,000 (Two Lakh) equity shares of INR 100 (Rupees Hundred) each, to INR 2,00,00,000 (Rupees Two Crore only) comprising of INR 1,99,00,000 (Rupees One Crore Ninety Nine Lakh only) divided into 1,99,00,000 (One Crore Ninety Nine Lakh only) equity shares of INR 1 (Rupee One) each and INR 1,00,000 (Rupees One Lakh only) divided into 10,000 (Ten Thousand) preference shares of INR 10 (Rupees Ten) each. Such aggregate reclassified authorised share capital of the Transferor Company as on the Effective Date will be combined with the authorised share capital of the Transferee Company and accordingly the authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and fees to RoC.
- 10.2 The memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company.
- 10.3 Consequentially, Clause 5 of the memorandum of association of the Transferee Company shall

without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per Clause 10.1 above, pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.

- 10.4 It is clarified that the approval of the Tribunal to the Scheme shall be deemed to be consent/ approval of the members of the Transferee Company also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.

11. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the effectiveness of this Scheme, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

PART - III GENERAL TERMS & CONDITIONS

12. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon this Scheme coming into effect, the resolutions/ power of attorneys executed by the Transferor Company, as are considered necessary by the Board of the Transferee Company, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Transferee Company, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then such limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions/ power of attorneys for the purpose of the Transferee Company. It is hereby clarified that the Transferee Company may place on record *vide* resolution(s) the revised authorities, monetary limits and such other approvals.

13. BUSINESS UNTIL EFFECTIVE DATE

- 13.1 The Transferor Company with effect from the date of approval of the Scheme by Board of the Parties and until the Effective Date shall carry on their business and activities with due diligence and business prudence and shall not, without the prior written consent of the Transferee Company, charge, mortgage, Encumber or otherwise deal with or alienate their assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of its business.

- 13.2 With effect from the Appointed Date and up to the Effective Date:

13.2.1 the Transferor Company shall be deemed to have been carrying on and shall carry on their business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets for and on account of, and in trust for the Transferee Company;

13.2.2 all profits or income arising or accruing to the Transferor Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, etc.) or losses arising or incurred by the Transferor Company shall,

for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Transferee Company; and

- 13.2.3 all loans raised and all liabilities and obligations incurred by the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the undertaking of the Transferor Company shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Transferee Company.
- 13.3 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authority and all other agencies, departments and authorities concerned as are necessary under any Law for such consents, approvals and sanctions which the Transferee Company may require, to carry on the business of the Transferor Company from Effective Date and to give effect to the Scheme.
- 13.4 The Transferee Company shall be entitled to credit the tax paid including credit of the tax deducted at source in relation to the Transferor Company, for the period between the Appointed Date and the Effective Date.
- 13.5 For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Appropriate Authority, the Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme.

14. FACILITATION PROVISIONS

It is clarified that approval of the Scheme by the respective shareholders of the Parties under Sections 230 to 232 of the Act shall be deemed to have their approval under Section 188 and other applicable provisions of the Act and that no separate approval of the Board or shareholders shall be required to be sought by any of the Party.

15. APPLICATIONS / PETITIONS TO THE TRIBUNAL

The Parties shall make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.

16. MODIFICATION OR AMENDMENTS TO THIS SCHEME

- 16.1 The Board of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.
- 16.2 For the purposes of giving effect to this Scheme, the Board of the Parties may give such directions including directions for settling any question or difficulty that may arise and such

directions shall be binding on Parties as if the same were specifically incorporated in this Scheme.

17. WITHDRAWAL OF THIS SCHEME, NON-RECEIPT OF APPROVALS AND SEVERABILITY

17.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.

17.2 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed to by the Parties, this Scheme or relevant part(s) of this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.

17.3 In the event of revocation/ withdrawal of the Scheme under Clause 17.1 or Clause 17.2 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

18. COSTS AND EXPENSES

Except as provided otherwise, all costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the completion of such parts of the Scheme shall be borne and paid by the Transferee Company.

Annexure I

Terms of issue of Transferee Company New Preference Shares

Coupon	12.38% cumulative
Redemption	Transferee Company New Preference Shares shall be redeemable at par at any time at the option of the Transferee Company after the period of 6 (six) months but not later than 20 (Twenty) years from the date of allotment of such Transferee Company New Preference Shares
Tenure	20 (Twenty) years
Voting Rights	No voting rights
Listing	Transferee Company New Preference Shares shall not be listed on any Stock Exchanges
Transferability	Freely transferable

Sahajanand Medical Technologies Limited*(Formerly known as Sahajanand Medical Technologies Private Limited)***Balance Sheet as at 31 December, 2023****(Rs. in lacs)**

Particulars	Note No.	As at 31 Dec, 2023
ASSETS		
1 Non-Current Assets		
(a) Property, Plant and Equipment	3(A)	5,010.25
(b) Right-of-Use assets	3(B)	1,362.58
	3(C)	223.15
(d) Intangible assets	3(D)	74.98
(e) Financial Assets		
(i) Investments	4	47,959.00
(ii) Loans	5(A)	4,765.01
(iii) Other Financial assets	6(A)	693.18
(f) Deferred tax Assets (net)	7	1,616.90
(g) Other non-current assets	8(A)	140.70
Total Non Current Assets		61,845.75
2 Current Assets		
(a) Inventories	9	11,597.01
(b) Financial assets		
(i) Trade Receivables	10	13,290.41
(ii) Cash and cash equivalents	11	909.55
(iii) Other Bank Balances	12	104.05
(iv) Loans	5(B)	113.37
(v) Other Financial Assets	6(B)	574.14
(c) Other current assets	8(B)	2,198.07
Total Current Assets		28,786.60
Total Assets		90,632.35
EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	13	974.50
(b) Other equity	14	68,991.66
Total Equity		69,966.16
Liabilities		
2 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	15(A)	68.32
(ii) Lease Liabilities	17(A)	814.57
(iii) Other Financial Liabilities	17(C)	678.39
Total Non Current Liabilities		1,561.28
3 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	15(B)	8,041.72
(ii) Lease Liabilities	17(B)	249.46
(iii) Trade Payables	16	
total outstanding dues of micro enterprises and small enterprises		602.76
total outstanding dues of creditors other than micro enterprises and small enterprises		3,778.95
(iv) Other Financial Liabilities	17(D)	1,867.06
(b) Other Current Liabilities	19	2,140.65
(c) Provisions	18	277.97
(d) Current tax liabilities (net)		2,146.34
Total Current Liabilities		19,104.91
Total Liabilities		20,666.19
Total Equity and Liabilities		90,632.35

See accompanying notes forming part of the financial statements

Sahajanand Medical Technologies Limited*(Formerly known as Sahajanand Medical Technologies Private Limited)***Statement of Profit and Loss for the period from 1st April 2023 to 31 December, 2023**

Particulars	Note No.	(Rs. in lacs) For the period ended 31 Dec, 2023
I Income :		
Revenue from operations	20	34,456.49
Other income	21	613.94
Total Income (I)		35,070.43
II Expenses:		
Cost of materials consumed	22	10,336.56
Purchase of stock-in-trade	23	3,335.50
	24	(499.67)
Employee benefit expense	25	9,879.52
Finance costs	26	656.87
Depreciation and amortisation expense	3	1,376.97
Other expenses	27	8,360.03
Total expenses (II)		33,445.78
III Profit before exceptional items and tax (I - II)		1,624.65
IV Exceptional Items - Expense/(Income)	44	-
V Profit before tax (III - IV)		1,624.65
VI Tax expense:	7	
Current tax charge / (credit)		788.28
Deferred tax charge / (credit)		(142.31)
Total tax expense (VI)		645.97
VII Profit/(Loss) after tax (V - VI)		978.68
VIII Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Re-measurement losses on defined benefit obligation		(69.78)
Income tax credit on above	7	17.56
Total Other comprehensive Income/(Loss) (VIII)		(52.22)
IX Total Comprehensive Income/ (Loss) for the year (VII + VIII)		926.46

Sahajanand Medical Technologies Limited*(Formerly known as Sahajanand Medical Technologies Private Limited)***Statement of Changes in Equity for the period from 1st April 2023 to 31 December, 2023****A. Equity Share Capital**

Particulars	(Rs. in lacs)	
	Equity share capital (No of shares in lacs)	Total equity
Balance as at 1 April, 2023	974.49	974.49
Issued during the period	-	-
Balance as at 31 Dec, 2023	974.49	974.49

B. Other Equity

Particulars	(Rs. in lacs)				Total other equity
	Share Option Outstanding Reserve	Securities Premium	Reserve and Surplus		
			General Reserve	Retained Earnings	
Balance as at 1 April, 2023	2,477.97	47,612.45	184.95	17,534.42	67,809.79
Profit for the period ended 31 Dec, 2023	-	-	-	978.68	978.68
Share based payment expenses (net)	255.41	-	-	-	255.41
Employee Stock Option exercised	-	-	-	-	-
Issue of fresh equity	-	-	-	-	-
Other comprehensive loss for the period ended 31 Dec, 2023 (net of taxes)	-	-	-	(52.22)	(52.22)
Balance as at 31 December, 2023	2,733.38	47,612.45	184.95	18,460.88	68,991.66

Sahajanand Medical Technologies Limited

(Formerly known as Sahajanand Medical Technologies Private Limited)

Statement of Cash flows for the period from 1st April 2023 to 31 December, 2023

	(Rs. in lacs)
Particulars	Period ended 31 Dec, 2023
A Cash flows from Operating Activities	
Profit before tax	1,624.65
<i>Adjustment for:</i>	
Depreciation and amortisation expense	1,376.97
Finance costs	656.87
Interest income	(333.17)
Share based payment expenses	243.22
Unrealised exchange (gain)/loss	(88.69)
Profit on sale of property, plant and equipment (net)	(25.81)
Bad debts	15.34
Allowances for doubtful debts	26.10
Operating profit before working capital changes	3,495.48
Movements in working capital	
<i>Adjustment for (increase) / decrease in operating assets:</i>	
Inventories	(2,111.71)
Trade Receivables and other assets	3,817.55
<i>Adjustment for (increase) / decrease in operating liabilities:</i>	
Trade Payables and other liabilities	(562.92)
Cash generated in operating activities	4,638.40
Net income tax (paid)	(620.22)
Net Cash generated from operating activities (A)	4,018.18
B Cash flow from investing activities	
Payment for purchase of property, plant & equipment	(1,477.22)
Investments in subsidiaries	(6,290.97)
Proceeds from sale of property, plant and equipment	213.00
Loans given to subsidiaries	(975.00)
Loans repaid during the year by subsidiaries (including interest)	859.99
Bank deposits (placed)/withdrawn (net)	(18.79)
Interest received	182.31
Net Cash used in investing activities (B)	(7,506.68)
C Cash flows from financing activities	
(Repayment)/Proceeds of short-term borrowings (net)	4,577.08
Repayment of long term borrowings	57.81
Payment of Lease Liabilities (Principal)	(327.38)
Payment of Lease Liabilities (Interest)	(57.07)
Finance costs paid	(589.39)
Net cash generated from financing activities (C)	3,661.05
Net increase/(decrease) in cash and cash equivalents (A+B+C)	172.55
Cash and cash equivalents at the beginning of the year	737.00
Cash and cash equivalents at the end of the year (refer note 11)	909.55
Reconciliation of cash and cash equivalents	
Closing balance of cash and cash equivalent as per balance sheet	909.55

Sahajanand Medical Technologies Limited

(Formerly known as Sahajanand Medical Technologies Private Limited)

Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023

1. General Information

The Provisional standalone financial statements comprise financial statements of Sahajanand Medical Technologies Limited (Formerly known as Sahajanand Medical Technologies Private Limited) ('the Company' or "SMT") for the period from 1st April 2023 to 31 December, 2023. The company was incorporated and domiciled in India during the year 2001 under the companies Act, 2013 as a private limited company. The Company has converted from Private Limited Company to Public Limited Company pursuant to special resolution passed on the extra-ordinary general meeting of the shareholders of the Company held on 27 April, 2021 and consequently the name of the Company has been changed to Sahajanand Medical Technologies Ltd. pursuant to a fresh certificate of incorporation by ROC on 07 May, 2021. The registered office and principal place of business of the company is situated at Sahajanand Estate, Wakhariawadi, Near Dabholi, Ved Road, Surat – 395 004. Gujarat, India.

The Company is primarily in the business of manufacturing Balloon Catheter, Cardiac Stents, valves and occluder. It has manufacturing plant in India which is mainly involved in manufacturing minimally invasive coronary stent systems and its product portfolio includes drug eluting stents, bare metal stents, balloon catheters, inflation devices and accessories.

2.1. Basis of preparation and presentation of financial information

The Provisional Financial Statements of Sahajanand Medical Technologies Limited (the "Company") comprises the Balance Sheet as at 31 December, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the period from 1st April 2023 to 31 December, 2023 and a summary of significant accounting policies and other explanatory information (together referred to as the Financial Statements").

The Provisional financial statements have been prepared in accordance with Indian Accounting Standards (referred to as Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The Financial Statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs (as per the requirement of Schedule III), unless otherwise stated.

2.2. Summary of significant accounting policies

a) Basis of Accounting

The Company maintains its accounts on accrual basis following historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS.

Fair value measurements are categorised as below, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;

(ii) Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

The financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Inventories

Inventories including Work- in- Progress are valued at cost or net realisable value, whichever is lower, cost being worked out on weighted average basis. Cost includes all charges for bringing the goods to their present location and condition.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Sahajanand Medical Technologies Limited*(Formerly known as Sahajanand Medical Technologies Private Limited)***Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023****d) Revenue Recognition**

Revenue from sale of goods is recognized on satisfaction of performance obligation upon transfer of control over promised goods to the customer for an amount that reflects the consideration that the company expects to receive in exchange for those goods. The control of goods is transferred to the customer at the point in time depending upon agreed terms with customer. Control is considered to be transferred to the customer when the customer has ability to direct the use of such goods and obtain substantially all the benefits from it. Revenue is recognised net of trade discounts, rebates and other similar allowances. Revenue excludes indirect taxes which are collected on behalf of Government.

Revenue from sale of goods is recognised at the point in time when control is transferred to the customer. Indicators that control has been transferred include, the establishment of the company's present right to receive payment for the goods sold, transfer of legal title to the customer, transfer of physical possession to the customer, transfer of significant risks and rewards of ownership in the goods to the customer, and the acceptance of the goods by the customer. The revenue on consignment sales is recognised on satisfaction of the above conditions.

Contract liabilities, which is a company's obligation to transfer goods or services to a customer for which the entity has already received consideration, relate mainly to advance. Contract liabilities are recognised as revenue when the Company performs under the contract.

e) Other Income**Dividend & Interest Income:**

Dividend Income is accounted when right to receive the dividend is established.

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the effective interest rate applicable

Rental income:

Rental income from operating leases is accounted for on a straight-line basis over the lease term.

f) Property, Plant and Equipment

Assets are carried at acquisition cost, less accumulated depreciation and accumulated impairment losses, if any.

Costs comprise of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to their intended use.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period end.

When significant components of plant and equipment are replaced separately, the company depreciates them based on the useful lives of the components.

Leasehold land is depreciated on a straight line basis over the period of the lease. All other assets are depreciated to their residual values on written-down value basis over their estimated useful lives. Estimated useful lives of the assets are as follows:

Description of the asset	Estimated Useful Life (Years)
Leasehold Building	16*
Electrical Installation	10
Plant and Machinery**	15
Furniture and Fixtures	10
Office Equipment	5
Computers (End user device)	3
Computers (Servers and networks)	6
Ultra Sound Machines	3
Vehicles (Other than Motor cycles, scooters and other mopeds)	8
Vehicles (Motor cycles, scooters and other mopeds)	10

*Leasehold Building and Leasehold Improvements are amortised over the period of lease.

** Number of shifts is additionally considered while calculating depreciation on plant and machinery

g) Other Intangible Assets

Intangible assets purchased including acquired in business combination are measured on initial recognition at cost. Subsequent to initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets with finite lives are amortised over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and method are reviewed at least at each financial period-end.

The useful lives of intangible assets are as mentioned below:

Description of the asset	Estimated Useful Life (Years)
Computer Software	3
Patents and Trademarks	3

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an individual project is recognised only when the company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during the development.

During the period of development, the asset is tested for impairment annually. Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when the development is complete and the asset is available for use. It is amortised over the period of expected future sales or use.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit or Loss when the asset is derecognised.

h) Financial Instrument

Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized by the Company when it becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of a financial instrument are adjusted to fair value, except where the financial instrument is measured at Fair Value through profit or loss, in which case the transaction costs are immediately recognized in profit or loss.

Financial assets

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisitions), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities and equity instruments

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Other financial liabilities

Other financial liabilities (including borrowings, financial guarantee contracts and trade and other payables) are subsequent to initial recognition, measured at amortised cost using the effective interest (EIR) method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

Fair value measurement

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

i) Foreign Currency Transactions

The Financial Information is presented in Indian Rupees (in lacs) which is also the Company's functional currency.

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are translated at the end of accounting period. Exchange differences on translation of all other monetary items are recognised in the Statement of Profit and Loss under other income.

j) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plans: Contribution towards provident fund and employees' state Insurance for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The Company's liability towards gratuity is determined based on the present value of the defined benefit obligation and fair value of plan assets and the net liability or asset is recognized in the balance sheet. The net liability or asset represents the deficit or surplus in the plan (the surplus is limited to the present value of the economic benefits available in the form of refunds from the plan or reductions in future contributions). The present value of the defined benefit obligation is determined using the projected unit credit method, with actuarial valuations being carried out at each period end. Defined benefit costs are composed of:

- i. service cost – recognized in profit or loss;
- ii. net interest on the net liability or asset - recognized in profit or loss;
- iii. rereasurement of the net liability or asset - recognized in other comprehensive income

Other long-term employee benefits: Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the reporting date.

k) Leases

The Company evaluates each contract or arrangement, to determine whether it qualifies as lease as defined under Ind AS 116.

A contract is, or contains, a lease if the contract involves:

- (a) the use of an identified asset,
- (b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- (c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The Company applies Ind AS 36 to determine whether a Right-of-Use asset is impaired and accounts for any identified impairment loss in the Statement of Profit and Loss as described in the Note 2(m) below.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss. For short-term, and low value leases, the Company recognizes the lease payments for such items as an operating expense on a straight-line basis over the lease term and are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Lease payments (other than short term and low value leases) have been classified as cash used in Financing activities in the Statement of Cash Flows.

Lease payments for short-term, and low value leases, have been classified as cash used in Operating activities in the Statement of Cash Flows.

The Company has not given any assets given on lease to others.

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Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023

l) Current and Deferred Tax

Income tax expense comprises current tax expense and the net change during the period, in the deferred tax asset or liability. Current and deferred taxes are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or in equity, in which case the related current and deferred tax are also recognised in other comprehensive income or in equity, respectively.

Current and Deferred Taxes are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Tax assets and tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts.

i. Current income tax

Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

ii. Deferred tax

Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

m) Impairment of Assets

Property, plant and equipment and intangible assets with finite lives are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined for the individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and an impairment loss is recognised in profit or loss.

n) Provisions and Contingent Liabilities and Contingent Assets

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. Reporting date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is not recognised but disclosed where an inflow of economic benefits is probable.

o) Segment reporting

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body for the purpose of performance assessment and to make decisions for resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of performance assessment and resource allocation to the segments.

Segment accounting policies are in line with accounting policies of the company. Further company has not identified any segment other than geographical segment. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses/income".

p) Exceptional Items

Exceptional items refer to items of income or expense within the income statement from ordinary activities which are material and non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company and to assist users of financial statements.

q) Export Benefit

Government grant receivable in the form of duty credit scrips is accrued as other Operational income in the Financial Statement of Profit and Loss when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

r) Key Sources of Estimation

The preparation of the financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment and intangible assets, future obligations in respect of retirement benefit plans, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment and intangible assets at least once a year. The lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Depreciable lives are reviewed annually using the best information available to the Management.

Employee benefit plan

The present value of defined benefit obligations is determined on an actuarial basis using a number of underlying assumptions, including the discount rate and expected increase in salary costs. Any changes in these assumptions will impact the carrying amount of obligations.

Impairment of financial assets

The impairment provision for financial assets (other than trade receivables) are based on assumptions of risk of default and expected loss rates. The Company makes judgements about these assumptions for selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Trade receivables are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts which are based on the aging of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not be collectible.

Income Taxes

Provision of current and deferred tax liabilities is dependent on the management estimate of the allowability or otherwise of expenses incurred and other debits to profit or loss. Deferred tax assets (including MAT recoverable) are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

s) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 35.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve. The amounts recorded in share options outstanding account are transferred to share capital and securities premium as appropriate upon exercise of stock options and transferred to general reserve on account of stock options not exercised by employees.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Company had issued shares to the Trust, for giving shares to employees under the remuneration schemes. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

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Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023

t) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

u) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Sahajanand Medical Technologies Limited*(Formerly known as Sahajanand Medical Technologies Private Limited)*

Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023

Note 3(A): Property, Plant and Equipment (Owned, unless otherwise stated)**(Rs. in lacs)**

Particulars	Building	Leasehold Improvements	Leasehold building	Plant and Machinery	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Electrical Installations	Total
Cost										
Balance as at 1 April, 2023	-	83.96	396.97	7,344.43	228.84	708.30	467.06	695.87	69.52	9,994.95
Additions	-	-	-	403.73	32.39	92.59	2.92	260.80	-	792.43
Disposals	-	-	-	49.85	1.25	1.28	0.84	264.36	-	317.58
Balance as at 31 Dec, 2023	-	83.96	396.97	7,698.31	259.98	799.61	469.14	692.31	69.52	10,469.80
Accumulated Depreciation										
Balance as at 1 April, 2023	-	31.74	141.61	3,084.02	178.81	510.16	279.61	348.87	40.21	4,615.03
Charge for the year	-	0.25	21.97	693.62	18.28	112.08	35.15	88.38	4.77	974.50
Eliminated on disposal of assets	-	-	-	4.98	1.18	0.98	0.53	122.31	-	129.98
Balance as at 31 Dec, 2023	-	31.99	163.58	3,772.66	195.91	621.26	314.23	314.94	44.98	5,459.55
Net carrying amount										
As at 31 December, 2023	-	51.97	233.39	3,925.65	64.07	178.35	154.91	377.37	24.54	5,010.25

Footnote :

1. The Company is not holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)

Note 3(B) : Right-of-Use assets**(Rs. in lacs)**

Particulars	Office Space	Leasehold land	Total
Balance as at 1 April, 2023	1,175.21	595.45	1,770.66
Additions	920.78	-	920.78
Disposals	43.12	-	43.12
Modification	-	-	-
Balance as at 31 Dec, 2023	2,052.87	595.45	2,648.32
Accumulated Depreciation			
Balance as at 1 April, 2023	703.30	211.37	914.68
Charge for the year	342.16	28.90	371.06
Eliminated on disposal of assets	-	-	-
Balance as at 31 Dec, 2023	1,045.47	240.27	1,285.74
Net carrying amount			
As at 31 December, 2023	1,007.40	355.18	1,362.58

Footnote

There are no such immovable properties on lease where lease deeds are not held in name of the Company

Sahajanand Medical Technologies Limited*(Formerly known as Sahajanand Medical Technologies Private Limited)***Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023****Note 3(D) : Intangible assets (Rs. in lacs)**

Particulars	Computer Software	Patents and trademark	Total
Cost			
Balance as at 1 April, 2023	436.73	-	436.73
Additions			-
Disposals			-
Balance as at 31 Dec, 2023	436.73	-	436.73
Accumulated Amortisation			
Balance as at 1 April, 2023	330.34	-	330.34
Charge for the year	31.41		31.41
Eliminated on disposal of assets			-
Balance as at 31 Dec, 2023	361.75	-	361.75
Net carrying amount			
As at 31 December, 2023	74.98	-	74.98

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Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023

		(Rs. in lacs)
		As at 31 Dec, 2023
Note 4 : Non current investments (unquoted)		
Non - Current Investment Subsidiary-at cost in Vascular Concepts Limited 1,57,854 equity shares of Rs. 100 each fully paid-up		7,174.13
Non - Current Investment Subsidiary-at cost in SMT Cardiovascular Private Limited 1,31,700 (31 March 2022: 10,000) equity shares of Rs. 10 each fully paid-up		10,491.97
Non - Current Investment Subsidiary-at cost in Sahajanand Medical Technologies Ireland Limited 1,49,325 (31 March 2022: 1,00,000) equity shares of EUR 1 each fully paid-up		30,102.34
Investments in subsidiary pursuant to issue of stock options to subsidiary employees		
Non - Current Investment Subsidiary-at cost in SMT Germany		11.45
Non - Current Investment Subsidiary-at cost in SMT USA		179.11
		47,959.00

Disclosure of interest in other entities (as required by Ind AS 27)

The Company's direct subsidiaries are given below:

No	Name of Entity	Country of Incorporation	Relationship	As at 31 Dec, 2023
1	Sahajanand Medical Technologies Ireland Limited	Ireland	Subsidiary	100%
2	SMT Cardiovascular Private Limited	India	Subsidiary	100%
3	Vascular Concepts Limited	India	Subsidiary	99.99%
4	SMT ESOP Trust (w.e.f. 25 August, 2021)	India	Trust over which entity has control/significant influence	100%

Note 5 : Loans

(A) Loans- Non Current

Unsecured and considered good

Loans to Subsidiaries

As at 31 Dec, 2023

4,765.01

4,765.01

(B) Loans- Current

Unsecured and considered good

Loans to employees

Other loans

Less: Provision for loans given

As at 31 Dec, 2023

113.37

10.50

(10.50)

113.37

Note 6: Other Financial Assets

(A) Non Current Financial Assets

Security Deposits, considered good

Deposits with banks*

Gratuity Fund Balance

As at 31 Dec, 2023

206.08

20.65

-

Interest Receivable accrued but not due

Loan given to subsidiary

Unsecured loan and deposits

Guarantee Commission Receivable

442.27

5.43

18.75

693.18

*These are fixed deposits with maturity period of more than 1 year which are lien marked against tender deposits.

(B) Current Financial Assets

Security Deposits

Considered good

Considered doubtful

Less : Allowance for doubtful deposits

305.61

52.75

(52.75)

305.61

Deposits with banks

Interest Receivable accrued but not due

Unsecured loan and deposits

Interest accrued and due on loan given to sul

Guarantee Commission Receivable

Other receivables from Subsidiary Companies (unsecured, considered good)

Other receivables

10.12

103.88

154.35

0.18

-

574.14

Sahajanand Medical Technologies Limited*(Formerly known as Sahajanand Medical Technologies Private Limited)***Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023****Note 7: Deferred Tax Assets (net)****(a) Analysis of deferred tax assets / (liabilities) presented in the balance sheet:**

	(Rs. in lacs)
	As at 31 Dec, 2023
Deferred tax assets (net)	1,616.90
	1,616.90

Note 8: Other assets**(A) Other assets - Non-current**

Capital advances	140.70
	140.70

(B) Other assets - Current**Unsecured Considered good**

Indirect taxes recoverable	1,002.52
Advance to suppliers	530.37
Prepaid expenses	573.69
Advances to employees	91.49
	2,198.07

Note 9: Inventories (At lower of cost and net realisable value)

Finished Goods	5,207.22
Raw material	4,497.63
Work-in-progress	128.25
Packing material	303.41
Stores and spares	109.79
Stock in trade	1,350.71
	11,597.01

Note 10: Trade Receivables**Unsecured**

Considered good	13,290.41
Considered doubtful	3,231.90
	16,522.31
Less : Allowance for expected credit loss	(3,231.90)
	13,290.41

Note 11: Cash and cash equivalents

Balance with banks	
Current account	703.70
EEFC accounts	201.98
Cheques and drafts on hand	-
Remittance-in-transit	-
Cash on hand	3.87
	909.55

Note 12: Other bank balances

Other deposits	104.05
	104.05

Sahajanand Medical Technologies Limited

(Formerly known as Sahajanand Medical Technologies Private Limited)

Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023

	(Rs. in lacs)
	As at 31 Dec, 2023
Note 13: Equity share capital	
Authorised	
15,00,00,000 equity shares of Re 1/- each	1,500.00
Issued, subscribed and fully paid-up share capital	
9,74,50,232 equity Shares of Re 1/- each fully paid-up (Refer footnote 13(c))	974.50
	974.50

13(a): Details of rights, preferences and restrictions attached to the equity shareholders:

The Company has one class of equity shares having a face value of Re. 1 per share. Each shareholder is eligible for one vote per share held. The dividends proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The rights, pledge, assignment, hypothecation or creation on any third party interest in the said shares are subject to rights and obligations by respective parties as specified in the Share Subscription and Purchase Agreement ("SSPA") dated 26 October, 2016 along with the amendment and supplemental agreement to SSPA dated 19 December, 2017 and 12th January, 2023

Samara Capital Markets Holdings Limited, NHPEA Sparkle Holding B. V and Kotak Pre IPO opportunities fund (collectively known as "investors") have joint right to request the Company to buy back the shares held by them in case of certain conditions as mentioned in the Shareholder's agreement by issuing the buy back notice to the Company.

As per the letter signed by the investors, If the investors deliver a buy back notice to the Company, the Company shall not be obligated to buy back such shares and the decision shall be sole at the discretion of the Company. Investors shall not be entitled to legally enforce the Company to buy back it's shares.

Accordingly the equity shares issued to such investors by the Company are not in the nature of liability and are classified as equity in consonance with Ind AS 32.

13(b) Reconciliation of equity shares at the beginning and at the end of the reporting year:

Particulars	Equity Shares for the period ended 31 Dec, 2023	
	No.	Amount in lacs
Equity shares outstanding at the beginning of the year	10,14,03,232	1,014.03
Add : Fully-Paid Shares issued during the year	-	-
Equity shares outstanding before treasury shares	10,14,03,232	1,014.03
Less: Treasury shares held under ESOP Trust	(39,53,000)	(39.53)
Total equity shares outstanding at the end of the year (net of treasury shares)	9,74,50,232	974.50

13 (c): Note for shares held under ESOP Trust:

The Company has created an Employee Stock Ownership Plan (ESOP) for providing share-based payment to its employees.

ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company and its subsidiaries in India. For the purpose of the scheme, the Company purchases shares from the open market under ESOP trust. The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares.

Pursuant upon the approval on 26 April, 2021 of SMT Employee Stock Option Plan 2021 ("ESOP 2021"), on 26 October, 2021 the Company has issued 42,00,000 number of equity shares at a value of Rs. 1,877.40 lacs (which includes security premium of Rs. 1,835.40 lacs) to SMT ESOP Trust (established on 25 August, 2021) with intention to administer the ESOP Plan under the trust route in line with the provision of applicable laws including the Indian Trust Act, 1882 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Movement in Treasury Shares:

Particulars	Equity Shares for the period ended 31 Dec, 2023	
	No.	Amount in lacs
Shares of Rs. 1 each fully paid-up held under ESOP Trust		
Equity shares outstanding at the beginning of the year	39,53,000	39.53
Add : Changes during the year	-	-
Equity shares outstanding at the end of the year	39,53,000	39.53

13(d): Details of promoter shareholding in the Company

Sr. No.	Name of Promoter	Equity Shares as at 31 Dec, 2023		
		No. of Shares held	% of Holding*	% change during the period
1	Shree Hari Trust	3,73,09,589	36.79%	0.00%
2	Bhargav Dhirajlal Kotadia	5,000	0.01%	0.00%

13(e): Details of shareholders holding more than 5% shares in the Company

Sr. No.	Name of Shareholder	Equity Shares as at 31 Dec, 2023	
		No. of Shares held	% of Holding*
1	Shree Hari Trust	3,73,09,589	36.79%
2	Samara Capital Markets Holdings Limited	3,18,53,154	31.41%
3	NHPEA Sparkle Holding B. V	1,63,96,803	16.17%
4	Kotak Pre IPO opportunities fund	64,29,935	6.34%

* for the purpose of the calculation total number of shares includes Treasury Shares issued to ESOP trust

Note 14: Other Equity

	As at 31 Dec, 2023
Reserves & Surplus	
Securities premium (Refer footnote)	47,612.45
Retained earnings	18,460.88
Share Option Outstanding Reserve	2,733.38
General reserve	46
	184.95
	68,991.66

Sahajanand Medical Technologies Limited*(Formerly known as Sahajanand Medical Technologies Private Limited)***Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023**

	(Rs. in lacs)
Particulars	As at 31 Dec, 2023
(a) (i) Securities premium	
Opening Balance	49,205.72
Add: Premium on shares issued during the year	-
Closing Balance	<u>49,205.72</u>
(a) (ii) Securities premium pertaining to treasury shares	
Opening balance	(1,593.27)
Less: Premium on exercise of ESOPs	-
Closing balance of securities premium pertaining to the treasury shares	<u>(1,593.27)</u>
Net Securities Premium balance [(a) (i) + (a) (ii)]	<u>47,612.45</u>
(b) General Reserve	
Opening and Closing Balance	184.95
	<u>184.95</u>
(c) Retained earnings	
Opening balance	17,534.42
Profit/(Loss) for the year	978.68
Other Comprehensive Loss for the year	(52.22)
Closing Balance	<u>18,460.88</u>
(d) Share Option Outstanding Reserve	
Opening balance	2,477.97
Additions during the year	255.41
Transfer to general reserve on lapse of vested employee stock options	-
Transfer to securities premium on exercise of employee stock options	-
Closing Balance	<u>2,733.38</u>

Nature and purpose of reserves:

- (a) Securities premium is used to record the premium on issue of shares. The reserve shall be utilised in accordance with the provisions of section 52 of the Companies Act, 2013.
- (b) The General reserve is a free reserve which is used from time to time to transfer profits from / to retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.
- (c) Retained earnings represent the amount of accumulated earnings of the Company.
- (d) The share options outstanding reserve account is used to record the fair value of equity-settled share-based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to equity share capital and securities premium upon exercise of stock options and transferred to retained earnings on account of stock options not exercised by employees.

Note 15(A): Borrowings**Borrowings - Non Current (Secured)**

	As at 31 Dec, 2023
Vehicle loans	
From Banks	110.04
Less : Current Maturities of Long-Term Borrowings	(41.72)
	<u>68.32</u>

Note 15(B): Borrowings - Current (Secured)

	As at 31 Dec, 2023
Working capital loans	
Cash credits facility repayable on demand	-
Working capital loans repayable based on respective tenure	8,000.00
Current maturities of long term borrowings	41.72
	<u>8,041.72</u>

Sahajanand Medical Technologies Limited*(Formerly known as Sahajanand Medical Technologies Private Limited)***Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023**

	<u>(Rs. in lacs)</u>
Note 16: Trade Payables	As at 31 Dec, 2023
Due on account of goods purchased and services received	
total outstanding dues of micro enterprises and small enterprises	602.76
total outstanding dues of creditors others than micro enterprises and small enterprise	3,778.95
	<u>4,381.71</u>
Note 17: Other financial liabilities	As at 31 Dec, 2023
(A) Lease Liabilities- Non-Current	
Lease Liabilities	814.57
	<u>814.57</u>
(B) Lease Liabilities- Current	
Lease Liabilities	249.46
	<u>249.46</u>
(C) Other financial liabilities - Non-current	
Deposits from others- Secured*	18.48
Leave Encashment Payable	659.91
	<u>678.39</u>
* Secured by inventory held on consignment basis.	
(D) Other financial liabilities- Current	
Capital Creditors	47.00
Guarantee commission liabilities	93.75
Interest accrued but not due on borrowings	17.31
Employee related liabilities	1,462.02
Leave Encashment Payable	246.98
	<u>1,867.06</u>
Note 18: Provision - Current	As at 31 Dec, 2023
(A) Provision - Non-Current	
Provision for gratuity	-
	<u>-</u>
(B) Provision - Current	
Provision for gratuity	198.47
Provision for leave encashment	79.50
	<u>277.97</u>
Note 19: Other current liabilities	As at 31 Dec, 2023
Contract Liabilities (Refer Footnote)	229.33
Statutory dues	174.11
Other payables to subsidiary	1,737.21
	<u>2,140.65</u>

Footnote:

The movement in contract liability mainly represents revenue recognised during the year from the opening balance and fresh advances received from the customers during the year.

Sahajanand Medical Technologies Limited

(Formerly known as Sahajanand Medical Technologies Private Limited)

Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023

(Rs. in lacs)

Note 20: Revenue From Operations

For the period ended
31 Dec, 2023

Sale of Products	34,456.49
Other operating Income	-
	34,456.49

Footnote: The Company derives its revenue from the transfer of goods point in time which is consistent with the revenue information disclosed in segment reporting. Further, disaggregated revenue and reconciliation of revenue with contract price is also disclosed in segment reporting.

Note 21: Other Income

For the period ended
31 Dec, 2023

Interest Income on financial instruments measured at amortised cost:	
Bank deposits	6.38
Loans to Parties	186.73
Gain on termination of lease asset	5.49
Net Profit on sale on Property, Plant and Equipment	25.81
Net foreign exchange gain/(loss)	249.47
Commission on Guarantee	135.60
Others	4.46
	613.94

Note 22: Cost of materials consumed

For the period ended
31 Dec, 2023

Inventory at the beginning of the year	3,298.79
Add: Purchases	11,948.60
	15,247.39
Less : Inventory at the end of the year	(4,910.83)
	10,336.56

Note 23: Purchase of Stock-in-trade

For the period ended
31 Dec, 2023

Cardiac Accessories	3,335.50
	3,335.50

Sahajanand Medical Technologies Limited

(Formerly known as Sahajanand Medical Technologies Private Limited)

Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023

	<u>(Rs. in lacs)</u>
Note 24: Changes in inventories of finished goods, stock-in-trade and work-in-progress	For the period ended
[Increase / (Decrease)]	31 Dec, 2023
Inventories at the end of the year	
Finished goods	5,207.22
Work-in-progress	128.25
Stock-in-trade	1,350.71
	<u>6,686.18</u>
	(A)
Inventories at the beginning of the year	
Finished goods	4,389.08
Work-in-progress	768.09
Stock-in-trade	1,029.34
	<u>6,186.51</u>
	(B)
	<u>(B) - (A)</u>
	<u>(499.67)</u>
Note 25: Employee Benefit Expenses	For the period ended
	31 Dec, 2023
Salaries, wages and bonus	8,484.68
Share based payment expenses	243.22
Contribution provident and other funds	175.64
Gratuity expense	270.73
Staff welfare expenses	705.25
	<u>9,879.52</u>
Note 26: Finance Costs	For the period ended
	31 Dec, 2023
Interest expense on borrowings	482.53
Interest on lease liability	57.07
Interest on delayed payment of taxes	0.46
Other borrowing costs	116.81
	<u>656.87</u>

Sahajanand Medical Technologies Limited

(Formerly known as Sahajanand Medical Technologies Private Limited)

Notes forming part of the financial statements for the period from 1st April 2023 to 31 December, 2023

	<u>(Rs. in lacs)</u>
	<u>For the period ended</u>
	<u>31 Dec, 2023</u>
27 (A): Other expenses	
Testing expenses	490.37
Clinical Trial expenses	1,804.09
Technical Advisory fees	90.18
Power and fuel	300.58
Freight and Forwarding Expenses	207.79
Travelling expenses	1,085.74
Sales and Marketing Expense	218.46
Advertisement expense	5.75
Conference expense	825.18
Rent	21.13
Rates and taxes	114.13
Commission & brokerage	10.30
Insurance	63.22
Repairs and maintenance	
Buildings	0.40
Plant and Machinery	120.29
Others	329.19
Expenditure towards Corporate Social Responsibility (CSR) activities	89.11
Legal fees	23.43
Professional fees	948.06
Payment to auditors	
for statutory audit	116.70
for certification	7.45
for other services	22.78
Printing and stationery	9.14
Donation	638.25
Bad Debts	15.34
Allowance for Doubtful debt	26.10
Royalty	177.61
Miscellaneous expenses	599.26
Total	<u><u>8,360.03</u></u>

VASCULAR CONCEPTS LIMITED

CIN: U33119GJ1992PLC141664

Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Nani Ved, Ved Road, Dabholi, Surat City, Gujarat - 395 004

BALANCE SHEET AS AT DECEMBER 31, 2023

	Particulars	Note number	As at
			31.12.2023
			(₹ in lakhs)
I. ASSETS			
(1) NON- CURRENT ASSETS			
(a) Property, plant and equipment	4	235.51	
(b) Right of use assets	5	86.95	
(c) Intangible assets	6	0.83	
(d) Financial assets			
(i) Other financial assets	8(i)	45.38	
(e) Deferred tax assets (net)	9	-	
(f) Income tax assets (net)	10	55.30	
(f) Other non-current assets	11(i)	185.67	
Total non-current assets		609.64	
(2) CURRENT ASSETS			
(a) Inventories	12	1,477.10	
(b) Financial assets			
(i) Trade receivables	13	1,111.57	
(ii) Cash and cash equivalents	14	386.04	
(iii) Loans	7(i)	-	
(iv) Other financial assets	8(ii)	109.64	
(c) Other current assets	11(ii)	43.80	
Total current assets		3,128.15	
	TOTAL		3,737.79
I. EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity share capital	15	157.85	
(b) Other equity	16	1,422.42	
Total equity		1,580.27	
LIABILITIES			
(2) NON- CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Lease liabilities	18(i)	67.58	
Total non-current liabilities		67.58	
(3) CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	17	1,006.96	
(ii) Lease liabilities	18(ii)	34.28	
(iii) Trade payables			
A) Total outstanding dues of micro enterprises and small enterprises		-	
B) total outstanding dues of creditors other than micro enterprises and small enterprises.	20	1,024.91	
(iii) Other financial liabilities	21	7.21	
(b) Provisions	19	13.60	
(c) Other current liabilities	22	2.98	
Total current liabilities		2,089.94	
	TOTAL		3,737.79

The accompanying Notes form an integral part of the financial statements

VASCULAR CONCEPTS LIMITED

CIN: U33119GJ1992PLC141664

Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Nani Ved, Ved Road, Dabholi, Surat City, Gujarat - 395 004

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED DECEMBER 31, 2023

	Particulars	Note number	Period ended
			31.12.2023
	<u>INCOME</u>		(₹ in lakhs)
I	Revenue from operations	23	2,133.14
II	Other income	24	11.80
III	Total revenue (I + II)		2,144.94
	<u>EXPENSES</u>		
	Cost of materials consumed	25	842.38
	Purchase of stock-in-trade	26	873.51
	Changes in inventories of finished goods and stock-in-trade	27	(61.22)
	Employee benefits expense	28	228.29
	Finance costs	29	60.97
	Depreciation and amortisation expense	30	68.46
	Other expenses	31	186.70
IV	Total expenses		2,199.09
V	Loss before exceptional items and tax (III-IV)		(54.15)
VI	Exceptional items		-
VII	Loss before tax (V - VI)		(54.15)
VIII	Tax expense		
	(i) Current tax		
	- Related to current year		
	- Related to prior years		-
	(ii) Deferred tax		-
IX	Loss for the year after tax (VII-VIII)		(54.15)
X	OTHER COMPREHENSIVE INCOME		
A	(i) Items that will not be reclassified to profit or loss		
	Remeasurement gain/ (loss) on defined benefit plan		-
	(ii) Income tax relating to items the above		-
	TOTAL OTHER COMPREHENSIVE INCOME		-
XI	TOTAL COMPREHENSIVE LOSS FOR THE PERIOD (IX+X)		(54.15)

VASCULAR CONCEPTS LIMITED

CIN: U33119GJ1992PLC141664

Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Nani Ved, Ved Road, Dabholi, Surat City, Gujarat - 395 004

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2023**A. EQUITY SHARE CAPITAL**

Balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at December 31, 2023
157.85	-	157.85
157.85	-	157.85

B. OTHER EQUITY

Particulars	Reserves and Surplus	Items of other comprehensive income	Total other equity
	Retained Earnings	Remeasurement gain/loss on defined benefit plan	
Balance as at April 1, 2023	1,496.14	(19.57)	1,476.57
Total comprehensive income	(54.15)	-	(54.15)
Balance as at Dec 31, 2023	1,441.99	(19.57)	1,422.42

Notes are an integral part of the financial statements

VASCULAR CONCEPTS LIMITED

CIN: U33119GJ1992PLC141664

Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Nani Ved, Ved Road, Dabholi, Surat City, Gujarat - 395 004

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED DECEMBER 31, 2023

Particulars		Period ended
		31.12.2023
		(₹ in lakhs)
A	CASH FLOW FROM OPERATING ACTIVITIES	
	Net profit/ (loss) before tax as per Statement of Profit and Loss	(54.15)
	Adjustments for:	
	Depreciation and amortisation expenses	68.46
	Finance costs	60.97
	Interest income and other non-cash income	(11.08)
	loss/ (profit) on sale of property, plant and equipment (net)	8.12
	Baddebts written off and expected credit loss provision	24.77
	Operating profit before working capital changes	97.09
	<i>Adjustments for (increase)/ decrease in operating assets</i>	
	Inventories	(180.47)
	Trade receivables	(50.65)
	Other assets	30.30
	<i>Adjustments for increase/ (decrease) in operating liabilities</i>	
	Trade payables	(901.40)
	Other financial liabilities	(21.49)
	Other current liabilities	(10.51)
	Provisions	(28.18)
	Cash generated from operations	(1,065.31)
	Income tax	(1.57)
	Net cash flow from operating activities	(1,066.88)
B	CASH FLOW FROM INVESTING ACTIVITIES	
	Interest income and other non-cash income	5.00
	Loans and advances (including security deposits)	91.69
	Proceeds on sale of property, plant and equipment	131.24
	Net cash used in investing activities	227.93
C	CASH FLOW FROM FINANCING ACTIVITIES	
	Interest paid	(60.97)
	Increase/(decrease) in borrowing	756.96
	Increase/(decrease) in lease liabilities	(49.94)
	Net cash used in financing activities	646.05
	Net increase in cash and cash equivalents (A+B+C)	(192.90)
	Opening balance of cash and cash equivalents	575.75
	Closing balance of cash and cash equivalents	382.85
	Cash and cash equivalents comprises of	
	Balances with Banks	
	- Current account	386.00
	Cash on hand	0.04
		386.04

NOTE # 4: PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK
	AS AT APRIL 1, 2023	DURING THE YEAR		AS AT DEC 31, 2023	UP TO APRIL 1, 2023	FOR THE YEAR	ON DELETION	UP TO DEC 31, 2023	AS AT DEC 31, 2023
		ADDITION	DELETION						
Freehold Land	4.05	-	-	4.05	-	-	-	-	4.05
Freehold Buildings	159.87	-	-	159.87	35.09	5.34	-	40.43	119.44
Plant and Machinery	270.55	-	(128.34)	142.21	96.33	6.15	(29.38)	73.10	69.11
Computer Equipment	47.08	-	(1.57)	45.51	29.91	9.34	(1.12)	38.13	7.38
Vehicles	66.50	-	(51.68)	14.82	31.94	5.13	(36.85)	0.22	14.60
Office Equipment	69.37	-	(15.40)	53.97	48.58	3.63	(8.16)	44.05	9.92
Furniture and Fixtures	33.50	-	(12.74)	20.76	16.72	1.66	(8.63)	9.75	11.01
TOTAL	650.92	-	(209.73)	441.19	258.57	31.25	(84.14)	205.68	235.51

NOTE #5: RIGHT OF USE ASSETS

(₹ in lakhs)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK
	AS AT APRIL 1, 2023	DURING THE YEAR		AS AT DEC 31, 2023	UP TO APRIL 1, 2023	FOR THE YEAR	ON DELETION	UP TO DEC 31, 2023	AS AT DEC 31, 2023
		ADDITION	DELETION						
Building and furnitures	224.98	-	(25.45)	199.53	87.05	28.72	(3.19)	112.58	86.95
TOTAL	224.98	-	(25.45)	199.53	52.61	28.72	(3.19)	112.58	86.95

NOTE #6: INTANGIBLE ASSETS

(₹ in lakhs)

DESCRIPTION	GROSS BLOCK				AMORTISATION				NET BLOCK
	AS AT APRIL 1, 2023	DURING THE YEAR		AS AT DEC 31, 2023	UP TO APRIL 1, 2023	FOR THE YEAR	ON DELETION	UP TO DEC 31, 2023	AS AT DEC 31, 2023
		ADDITION	DELETION						
Computer software	10.86	-	-	10.86	10.03	-	-	10.03	0.83
TOTAL	10.86	-	-	10.86	7.05	-	-	10.03	0.83

Particulars		As at
		31.12.2023
		(₹ In Lakhs)
7	LOANS	
	i) Current	
	<i>Unsecured, Considered good</i>	-
8	OTHER FINANCIAL ASSETS	
	i) Non-current	
	a) Term deposits with banks (Refer footnote below)	6.54
	b) Security deposits	38.84
		45.38
	ii) Current	
	a) Security deposits	109.64
		109.64
	Note: The aforementioned balances refer to amounts held as margin money. The maturity date of such deposits are more than 12 months from the reporting date.	
9	DEFERRED TAX ASSETS (NET)	
	Deferred tax assets	-
		-
10	INCOME TAX ASSETS (NET)	
	Advance income tax	55.30
		55.30
11	OTHER ASSETS	
	i) Non-current	
	<i>Considered good</i>	
	a) GST input tax credit	171.06
	b) Net defined benefit asset relating to gratuity	14.61
		185.67
	ii) Current	
	<i>Considered good</i>	
	a) Prepaid expenses	3.07
	b) Advance for expenses	40.73
		43.80
12	INVENTORIES	
	a) Raw materials	173.36
	b) Finished goods	375.11
	c) Stock in trade	892.95
	d) Packing materials	35.68
		1,477.10
13	TRADE RECEIVABLES	
	<i>Unsecured, Considered good</i>	
	Trade receivables	1,554.41
	Less: Allowance for doubtful trade receivables	(442.84)
		1,111.57
14	CASH AND CASH EQUIVALENTS	
	a) Balance with banks	
	In current account	386.00
	b) Cash on hand	0.04
		386.04

Particulars	As at	
	31.12.2023	
15 EQUITY SHARE CAPITAL	(₹ in lakhs)	
Authorised Capital 2,00,000 equity shares of ₹100/- each		200.00
Total		200.00
Issued, Subscribed and Paid up 1,57,854 equity shares of ₹100/- each fully paid-up		157.85
Total		157.85
Foot notes :		
a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.		
	As at	
	December 31, 2023	
Equity Shares	Number of shares	₹ in lakhs
At the beginning of the year	1,57,854	157.85
Issued during the year	-	-
At the end of the year	1,57,854	157.85
b) The Company has only one class of equity shares having a par value of ₹100/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
c) Shares held by holding company and its subsidiaries and associates		
	As at	
	December 31, 2023	
Equity Shares	Number of shares	₹ in lakhs
Holding Company Sahajanand Medical Technologies Limited (1,57,838 equity shares)	157.84	99.99%
	157.84	99.99%
d) Details of shareholders holding more than 5% shares in the Company		
	As at	
	December 31, 2023	
Names	Number of shares	₹ in lakhs
Sahajanand Medical Technologies Limited	1,57,838	99.99%
	1,57,838	99.99%

Particulars		As at
		31.12.2023
		(₹ In Lakhs)
16	OTHER EQUITY	
	a) Retained earnings	
	Opening balance	1,496.14
	Profit for the year	(54.15)
		1,441.99
	b) Remeasurement gain/ (loss) on defined benefit plan	
	Opening balance	(19.57)
	Closing balance	(19.57)
		1,422.42
17	BORROWINGS	
	Current	-
	<i>Unsecured</i>	
	a) Loan from related parties (Refer note)	1,006.96
		1,006.96
	<i>Note: The Holding Company had provided an unsecured loan during the year @ 9% p.a. The loan is repayable within 3 years from the date of disbursement or upon demand</i>	
18	LEASE LIABILITIES	
	(i) Non-current	
	Lease liabilities	67.58
		67.58
	(i) Current	
	Lease liabilities	34.28
		34.28
19	PROVISIONS	
	Current	
	a) Towards Compensated absences	13.60
		13.60
20	TRADE PAYABLES	
	i) Current	
	a) Towards micro, small and medium enterprises	-
	b) Towards others	1,024.91
		1,024.91
21	OTHER FINANCIAL LIABILITIES	
	i) Current	
	a) Employee related liabilities	7.21
		7.21
22	OTHER CURRENT LIABILITIES	
	a) Other payables towards statutory dues and others	2.98
		2.98

PARTICULARS		For the period ended
		31.12.2023
		(₹ in Lakhs)
23	REVENUE FROM OPERATIONS	
	(i) Sale of manufactured products	909.03
	(ii) Sale of traded products	1,224.11
		2,133.14
24	OTHER INCOME	
	(a) Interest income	
	- From bank deposits	5.00
	(b) Gain on termination of lease	3.19
	(c) Miscellaneous income	3.61
		11.80
25	COST OF MATERIALS CONSUMED	
	Opening stock of materials	89.79
	Add:- Purchases	961.63
	Less:- Closing stock of materials	(209.04)
	Cost of Materials Consumed	842.38
26	PURCHASE OF STOCK-IN-TRADE	
	Purchases of traded goods	873.51
		873.51
27	CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK- IN- TRADE	
	<u>Inventories at the end of the year:</u>	
	Finished goods	375.11
	Stock-in-trade	892.95
		1,268.06
	<u>Inventories at the beginning of the year:</u>	
	Finished goods	384.76
	Stock-in-trade	822.08
		1,206.84
	Net (increase) / decrease in stock	(61.22)
28	EMPLOYEE BENEFIT EXPENSES	
	(a) Salaries and wages	212.14
	(b) Contribution to provident fund	2.72
	(c) Staff welfare expenses	13.43
		228.29
29	FINANCE COSTS	
	(a) Interest	57.66
	(b) Other borrowing costs	
	(i) Bank charges	3.31
		60.97

PARTICULARS		For the period ended
		31.12.2023
		(₹ in Lakhs)
30	DEPRECIATION & AMORTISATION EXPENSE	
	(a) On property, plant and equipment	39.74
	(b) On right of use assets	28.72
	(c) On intangible assets	-
		68.46
31	OTHER EXPENSES	
	(a) Power and fuel	11.49
	(b) Repairs and maintenance- buildings	-
	(c) Repairs and maintenance- machinery	-
	(d) Repairs and maintenance- others	2.18
	(e) Insurance	2.96
	(f) Rates and taxes	23.11
	(g) communication expenses	-
	(h) Travelling and conveyance	15.70
	(i) Printing and stationery	1.01
	(j) Freight and forwarding expenses	7.05
	(k) Business promotion expenses	-
	(l) Foreign exchange loss (net)	7.20
	(m) Legal charges	3.77
	(n) Professional charges	20.95
	(o) Payment to auditors	6.00
	(p) Baddebts and provision for expected credit loss (net)	24.77
	(q) Clinical trial expenses	18.73
	(r) Conference expenses	10.00
	(s) Advertisement expenses	-
	(t) Sale promotion discount	-
	(t) Miscellaneous expenses	23.66
	(u) Loss on sale of property, plant and equipment	8.12
		186.70



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SAHAJANAND MEDICAL TECHNOLOGIES LIMITED AT ITS MEETING HELD ON JUNE 19, 2023 EXPLAINING THE EFFECT OF THE DRAFT SCHEME OF AMALGAMATION OF VASCULAR CONCEPTS LIMITED WITH SAHAJANAND MEDICAL TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

1. Background

- 1.1. The Board of Directors of Sahajanand Medical Technologies Limited ("**Transferee Company**" or "**Company**") ("**Board**") at its meeting held on June 19, 2023 has approved the draft Scheme of Amalgamation of Vascular Concepts Limited ("**Transferor Company**") with the Company and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 ("**Act**") ("**Scheme**").
- 1.2. Pursuant to provisions of Section 232(2)(c) of the Act, the Board is required to adopt a report explaining the effect of the amalgamation on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4. Under the Scheme it is proposed to amalgamate the Transferor Company with the Company.
- 1.5. The following documents were, *inter alia*, placed before the Board:
 - (a) Draft Scheme, duly initialed by the Director of the Company for the purpose of identification;
 - (b) Shareholding pattern of the Company;

Regd./Corp. Office:

Sahajanand Medical Technologies Limited, Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Ved Road, Surat - 395004 (Guj) INDIA
Ph.: +91 261 6112800 Fax: +91 261 6112801 E-mail : contact@sahmed.com • Web : www.smtpl.com • CIN: U33119GJ2001PLC040121



- (c) Valuation report on share exchange ratio for the proposed Scheme dated June 19, 2023 issued by CS Shreyansh M Jain, Registered Valuer (IBBI Registration no. IBBI/RV/03/2019/12124) ("**Share Exchange Ratio Report**"); and
- (d) Certificate dated June 19, 2023, issued by M/s. Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018), the statutory auditors of the Company, confirming that the accounting treatment prescribed in the Scheme is in accordance with Section 133 of the Act and other applicable laws, rules and regulations.

2. Share Entitlement Ratio Report | Share Entitlement Ratio

- 2.1. In terms of the Scheme, it is proposed to amalgamate the Transferor Company with the Transferee Company.
- 2.2. Pursuant to the Scheme, the Transferee Company shall issue consideration to the shareholders of the Transferor Company as on the Effective Date (as defined in the Scheme) in the following manner:
- "4529 (Four Thousand Five Hundred and Twenty-Nine only), 12.38% cumulative redeemable preference share of face value of INR 10/- each of Sahajanand Medical Technologies Limited, shall be issued and allotted for every 10 (Ten) fully paid-up equity share of INR 100/- each held by equity shareholders in Vascular Concepts Limited."*
- 2.3. The Registered Valuer has certified that they recommend the abovementioned consideration for the proposed Scheme, which is carried out using valuation methodology mentioned in the report.
- 2.4. Upon the Scheme becoming effective, all equity shares held by the Transferee Company in the equity share capital of the Transferor Company (held either directly or through its nominees), shall stand cancelled, without any further act or deed as an integral part of the Scheme.
- 2.5. No special valuation difficulties were reported.

Regd./Corp. Office:

Sahajanand Medical Technologies Limited, Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Ved Road, Surat - 395004 (Guj) INDIA
Ph.: +91 261 6112800 Fax: +91 261 6112801 E-mail: contact@sahmed.com • Web: www.smtpl.com • CIN: U33119GJ2001PLC040121



3. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company.

3.1. In terms of the Scheme, the Transferee Company shall issue consideration, in the form of preference shares, to all the shareholders of the Transferor Company for amalgamation of the Transferor Company with the Transferee Company.

3.2. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without winding-up.

4. Effect of the Scheme on the KMPs of the Company

4.1. Pursuant to the Scheme becoming effective, the Company is not expecting any change in the KMPs of the Company.

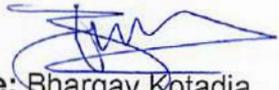
5. Effect of the Scheme on the creditors of the Company

5.1. Pursuant to the Scheme becoming effective, the Company is not expecting any change in or any effect on the creditors of the Company.

In view of the Board, the Scheme would be in the best interest of all stakeholders of the Company.

By Order of the Board of Directors

For and on Behalf of SAHAJANAND MEDICAL TECHNOLOGIES LIMITED


Name: Bhargav Kotadia
Designation: Managing Director
DIN: 06575042
Place: Surat
Date: 19.06.2023



Regd./Corp. Office:

Sahajanand Medical Technologies Limited, Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Ved Road, Surat - 395004 (Guj) INDIA
Ph.: +91 261 6112800 Fax: +91 261 6112801 E-mail : contact@sahmed.com • Web : www.smtpl.com • CIN: U33119GJ2001PLC040121

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF VASCULAR CONCEPTS LIMITED AT ITS MEETING HELD ON TUESDAY, JUNE 20, 2023, EXPLAINING THE EFFECT OF THE DRAFT SCHEME OF AMALGAMATION OF VASCULAR CONCEPTS LIMITED WITH SAHAJANAND MEDICAL TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

1. Background

- 1.1. The Board of Directors of Vascular Concepts Limited ("**Transferor Company**" or "**Company**") ("**Board**") at its meeting held on June 20, 2023 has approved the draft Scheme of Amalgamation of the Company with Sahajanand Medical Technologies Limited ("**Transferee Company**") and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 ("**Act**") ("**Scheme**").
- 1.2. Pursuant to provisions of Section 232(2)(c) of the Act, the Board is required to adopt a report explaining the effect of the amalgamation on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4. Under the Scheme it is proposed to amalgamate the Company with the Transferee Company.
- 1.5. The following documents were, *inter alia*, placed before the Board:
- Draft Scheme, duly initialed by the Director of the Company for the purpose of identification;
 - Shareholding pattern of the Company; and
 - Valuation report on share exchange ratio for the proposed Scheme dated June 19, 2023 issued by CS Shreyansh M Jain, Registered Valuer (IBBI Registration no. IBBI/RV/03/2019/12124) ("**Share Exchange Ratio Report**");



VASCULAR CONCEPTS LIMITED

REGISTERED OFFICE: Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Nani Ved, Ved Road, Dabholi, Surat City, Gujarat - 395 004, India Tel: +91 261 6112800

CORPORATE OFFICE: No. 19, S.V. Complex, 1st Floor, Bellary Road, Hebbal, Bangalore, Kamataka - 560 024, India | Tel: +91 80 23438146-49

Email: vcpl_bg@vascularconcepts.com CIN : U33119GJ1992PLC141664

2. Share Entitlement Ratio Report | Share Entitlement Ratio

2.1. In terms of the Scheme, it is proposed to amalgamate the Transferor Company with the Transferee Company.

2.2. Pursuant to the Scheme, the Transferee Company shall issue consideration to the shareholders of the Transferor Company as on the Effective Date (as defined in the Scheme) in the following manner:

“4529 (Four Thousand Five Hundred and Twenty-Nine only), 12.38% cumulative redeemable preference share of face value of INR 10/- each of Sahajanand Medical Technologies Limited, shall be issued and allotted for every 10 (Ten) fully paid-up equity share of INR 100/- each held by equity shareholders in Vascular Concepts Limited.”

2.3. The Registered Valuer has certified that they recommend the abovementioned consideration for the proposed Scheme, which is carried out using valuation methodology mentioned in the report.

2.4. Upon the Scheme becoming effective, all equity shares held by the Transferee Company in the equity share capital of the Company (held either directly or through its nominees), shall stand cancelled, without any further act or deed as an integral part of the Scheme.

2.5. No special valuation difficulties were reported.

3. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company.

3.1. In terms of the Scheme, the Transferee Company shall issue consideration, in the form of preference shares, to all the shareholders of the Transferor Company for amalgamation of the Transferor Company with the Transferee Company.

3.2. Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without winding-up.



VASCULAR CONCEPTS LIMITED

REGISTERED OFFICE: Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Nani Ved, Ved Road, Dabholi, Surat City, Gujarat - 395 004, India Tel: +91 261 6112800

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Email: vcpl_bg@vascularconcepts.com CIN : U33119GJ1992PLC141664

3.3. Upon the Scheme becoming effective, all equity shares held by the Transferee Company in the equity share capital of the Transferor Company (held either directly or through its nominees), shall stand cancelled, without any further act or deed as an integral part of the Scheme.

4. Effect of the Scheme on the KMPs of the Company

4.1. The Company is not required to appoint KMP and hence, the Scheme will not have any effect as there are no KMPs.

In view of the Board, the Scheme would be in the best interest of all stakeholders of the Company.

By Order of the Board of Directors

For and on Behalf of VASCULAR CONCEPTS LIMITED



Name: Ganesh Prasad Sabat

Designation: Director

DIN: 07983480

Place: Mumbai

Date: 20.06.2023



VASCULAR CONCEPTS LIMITED

REGISTERED OFFICE: Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Nani Ved, Ved Road, Dabholi, Surat City, Gujarat - 395 004, India Tel: +91 261 6112800

CORPORATE OFFICE: No. 19, S.V. Complex, 1st Floor, Bellary Road, Hebbal, Bangalore, Kamataka - 560 024, India | Tel: +91 80 23438146-49

Email: vcpl_bgf@vascularconcepts.com CIN : U33119GJ1992PLC141664

**VALUATION REPORT ON SHARE EXCHANGE RATIO
FOR THE PROPOSED SCHEME OF AMALGAMATION
OF**

VASCULAR CONCEPTS LIMITED

Sahajanand Estate, Wakharia Wadi, Nr. Dabholi Char Rasta,
Nani Ved, Ved Road, Surat - 395004, Gujarat, India

WITH

SAHAJANAND MEDICAL TECHNOLOGIES LIMITED

Sahajanand Estate, Wakharia Wadi,
Nr. Dabholi Char Rasta, Nani Ved, Ved Road,
Surat-395004, Gujarat, India

-: REGISTERED VALUER:-

CS SHREYANSH M JAIN

Registered Valuer (S & FA)

R. No.: IBBI/RV/03/2019/12124

2005-A, Rathi Palace, Ring Road, Surat - 395002, Gujarat, India

Email: rvshreyanshmjain@gmail.com

(C) +91 95582 19019

RV SHREYANSH M JAIN

Registered Valuer (SFA)

REF: - RV/SMJ/SMTL/2023-24

June 19, 2023

To,
The Board of Directors
Sahajanand Medical Technologies Limited (Transferee Company)
Sahajanand Estate, Wakharia Wadi,
Nr. Dabholi Char Rasta, Nani Ved,
Ved Road, Surat-395004, Gujarat, India

To,
The Board of Directors
Vascular Concepts Limited (Transferor Company)
Sahajanand Estate, Wakharia Wadi,
Nr. Dabholi Char Rasta, Nani Ved,
Ved Road, Surat-395004, Gujarat, India

Dear Sir,

Subject – Valuation on Share Exchange Ratio for the proposed Scheme of Amalgamation of Vascular Concepts Limited with Sahajanand Medical Technologies Limited.

Sahajanand Medical Technologies Limited (hereinafter referred to as "SMTL" or "Transferee Company") has appointed Shreyansh M Jain, Registered Valuer (SFA) registered with IBBI having Registration Number-IBBI/RV/03/2019/12124 (hereinafter referred to as "Valuer", "We", "Us" or "Our") vide Engagement Letter dated June 19, 2023 to determine the Share Exchange Ratio for the proposed Scheme of Amalgamation of Vascular Concepts Limited with Sahajanand Medical Technologies Limited.

The Share Exchange Ratio for the proposed Scheme of Amalgamation is for every 10 (Ten) Equity Shares of Rs. 100/- each of VCL, the Equity Shareholders will receive 4529 (Four Thousand Five hundred and Twenty Nine), 12.38% cumulative redeemable preference shares of Rs. 10/- each of SMTL.

This conclusion is subject to the Statement of Assumptions and Limiting Conditions found in the later part of this report. A detailed working of the valuation can be found in later part of this report. We have no obligation to update this report or our conclusion of value for information that comes to our attention after the date of this report.



Date: June 19, 2023
Place: Surat

Shreyansh M Jain
CP No.: ICSIRVO/SFA/38
IBBI R. No.: IBBI/RV/03/2019/12124

RV SHREYANSH M JAIN

Registered Valuer (SFA)

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RV SHREYANSH M JAIN

Registered Valuer (SFA)

1. BACKGROUND OF COMPANIES

TRANSFeree COMPANY:

Sahajanand Medical Technologies Limited is a public company bearing CIN: U33119GJ2001PLC040121 was incorporated on October 18, 2001. The registered office of the company is situated at Sahajanand Estate, Wakharia Wadi, Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat-395004, Gujarat, India.

The Transferee Company is engaged in the business of manufacturing, trading and marketing, import, export, sell, buy, supply of all kinds of vascular interventional products like stents, PTCA catheters and accessories, grafts, prosthesis, drugs, lasers, altherectomy equipment and other related devices and instruments.

SHARE CAPITAL STRUCTURE:

Authorized Capital	Amount in Rs.
15,00,00,000 Equity Shares of INR 1 each	15,00,00,000
Issued, Subscribed and Paid-Up Capital	Amount in Rs.
10,14,03,232 Equity Shares of INR 1 each	10,14,03,232

SHAREHOLDING PATTERN OF THE TRANSFeree COMPANY AS ON APPOINTED DATE:

Sr. No.	Name of Shareholder	No of shares (FV - Rs. 1/- each)	% of shareholding
1	Amicorp Trustees India Pvt Ltd	3,73,09,589	36.79
2	Bhargav Dhirajlal Kotadia	5,000	0.00
3	Dhirajkumar Savjibhai Vasoya	40,82,700	4.03
4	Kishor Dhirajlal Dudhat Russell Rozario	39,53,000	3.90
5	Kotak Pre Ipo Opportunities Fund	64,29,935	6.34
6	Nayna Dhirajkumar Vasoya	6,32,000	0.62
7	Nhpea Sparkle Holding B.V.	1,63,96,803	16.17
8	Plutus Wealth Management LLP	6,77,051	0.67
9	Sahajanand Technologies Private Limited	64,000	0.06
10	Samara Capital Markets Holding Limited	3,18,53,154	31.41
	Total	10,14,03,232	100



RV SHREYANSH M JAIN

Registered Valuer (SFA)

TRANSFEROR COMPANY:

Vascular Concepts Limited is a public company bearing CIN: U33119GJ1992PLC141664 was incorporated on May 25, 1992. The registered office of the company is situated at Sahajanand Estate, Wakharia Wadi, Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat-395004, Gujarat, India.

VCL is engaged in the business of manufacturing and sale of varieties of vascular prostheses and surgical instrument and devices.

SHARE CAPITAL STRUCTURE:

Authorized Capital	Amount in Rs.
200000 Equity Shares of Rs. 100/- each	2,00,00,000
Issued, Subscribed and Paid-Up Capital	Amount in Rs.
1,57,854 Equity Shares of Rs. 100/- each	1,57,85,400

SHAREHOLDING PATTERN OF THE TRANSFEROR COMPANY AS ON APPOINTED DATE:

Sr. No.	Name of Shareholder	No of shares (FV - Rs. 100/- each)	% of shareholding
1	Bhargav Dhirajlal Kotadia*	2	0.00
2	Dhirajlal Vallabhbbhai Kotadia*	1	0.00
3	Dudhat Kishor Dhirajlal*	1	0.00
4	Ganesh Prasad Sabat*	1	0.00
5	Sahajanand Medical Technologies Limited	1,57,838	99.99
6	Sharada Dhirajlal Kotadia*	1	0.00
7	NK Zaveri	10	0.01
	Total	1,57,854	100.00%

* As a nominee of Sahajanand Medical Technologies Limited

2. PURPOSE OF THE VALUATION AND APPOINTING AUTHORITY

We have been informed by the management that the Transferee Company is desirous of consolidating the assets and liabilities of the Transferor Company effective from 01st April, 2023 to achieve following benefits:

- 1) The proposed consolidation will bring the entire value chain of the Transferor Company under one umbrella driving scale and derive benefit out of combined resources, better synergies, optimal utilization of resources and greater economies of scale and operating efficiencies;
- 2) More efficient utilization of capital for enhanced development and growth of the consolidated business under a single entity;



RV SHREYANSH M JAIN

Registered Valuer (SFA)

- 3) Enable opportunities for employees of the parties to grow, by bringing them into a common pool; and
- 4) Elimination of multiple entities, legal and regulatory compliances and, reduction of administrative costs.

The valuation exercise is being carried out to ascertain the Share Exchange Ratio for the proposed amalgamation of Transferor Company with Transferee Company in terms of provisions of Section 230 to 232 of the Companies Act, 2013 and rules made thereunder.

We have been appointed by Audit Committee of SMTL to determine the Share Exchange Ratio for the purpose referred above.

3. IDENTITY OF THE REGISTERED VALUER

Name of the Valuer	RV Shreyansh M Jain
IBBI Registration Number	IBBI/RV/03/2019/12124
ICSI RVO Reg. No.	ICSIRVO/SFA/38
Address	2005-A, Rathi Palace, Ring Road, Surat-395002, Gujarat, India
Contact Email of RV	rvshreyanshmjain@gmail.com

4. USE OF WORK OF EXPERT

We have not used the work of any other experts in the valuation assignment.

5. DISCLOSURE OF VALUER'S INTEREST OR CONFLICT

We hereby confirm and explicitly declare that we are independent valuer and do not have any interest, direct or indirect, in the underlying securities being valued.

6. DATE OF APPOINTMENT, VALUATION DATE AND DATE OF THE VALUATION REPORT

Date of appointment,	June 19, 2023
Valuation date	March 31, 2023
Date of valuation report	June 19, 2023

7. INSPECTIONS AND/OR INVESTIGATIONS UNDERTAKEN

We have not carried out any inspection or independent verification of the information provided. We have relied on the publicly available information, unaudited financial statements, draft scheme of amalgamation and other financial and non-financial information made available to us as well as the representations made to us in the course of this engagement.



8. NATURE AND SOURCES OF THE INFORMATION USED OR RELIED UPON

In the course of our valuation analysis, we have relied on various financial and non-financial information obtained from the Company and from various public, financial and industry sources. We have relied that all information provided by the Company has been duly approved by the concerned authority to which it pertains to. Our conclusion of value is dependent on such information being complete and accurate in all material respects. The principal sources of Information used in the course of our valuation include, inter alia:

1. Company specific information

- a) Brief history, present activities and business profile etc.;
- b) Memorandum of Association and Article of Association;
- c) Shareholding Pattern of SMTL & VCL as at Valuation Date;
- d) List of Directors and KMP of SMTL & List of Directors of VCL as at Valuation Date;
- e) Draft Scheme of Amalgamation;
- f) Key Terms of Redeemable Preference Shares (RPS) proposed to be issued to the members of the Transferor Company;
- g) Audited Financial Statement of SMTL & VCL for FY 2021-22;
- h) Management Certified Unaudited Financial Statements of SMTL & VCL for FY 2022-23;
- i) Management Certified Projected Financials of VCL from FY 2024 to FY 2028;
- j) Management Representation Letter ("MRL") dated June 19, 2023.

2. Publicly available information

- a) Publicly available information and secondary information including information on websites like www.investing.com etc. We have not independently verified the accuracy or timelines of the same; and
- b) External databases subscribed to the valuer.

It is important to note that we have relied upon the information provided to us and referred to above. We have not endeavored to seek an independent confirmation of its reliability, accuracy or completeness beyond what is reasonably necessary and prudent in the circumstances. We have not performed any form of audit or verification of the information that we have relied upon. Accordingly, the Valuer accepts no responsibility for any errors in the information on which the valuation conclusions are based.

9. PROCEDURES ADOPTED IN CARRYING OUT VALUATION

Our analysis of value of the company, VCL and SMTL is based on the International Valuation Standards and the prescriptions laid down in Companies (Registered Valuer's and Valuation) Rules, 2017. Some of the key procedures in carrying out the valuation engagement are:

- a. Understanding the nature and purpose of the transaction.
- b. Selection of the most appropriate valuation base.
- c. Identifying the premise of value which refers to the conditions and circumstances how asset is deployed.
- d. Selection of the valuation approach and the corresponding valuation methodology. The standard valuation approaches and methodologies are as below:
 - i. Cost Approach**
 - a. Net Asset Value Method
 - ii. Market Approach**
 - a. Market Price Method
 - b. Comparable Companies Multiple Method/Comparable Company Transaction Method
 - iii. Income Approach**
 - a. Discounted Cash Flow (DCF) Method
- e. Performing the valuation engagement and arriving at the valuation conclusion

COST APPROACH

i. Net Asset Value Method:

The asset-based value analysis technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This methodology is likely to be appropriate for business which derives value mainly from the underlying value of its assets rather than its earnings. This value analysis approach may also be used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominates earning capability. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

Since VCL and SMTL are operating as going concern; we have not used this method to recommend share exchange ratio for proposed amalgamation of VCL and SMTL.

ii. Market Price Method

The market price of an equity shares as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market

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would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market.

Since equity shares of SMTL & VCL are not listed on any stock exchange(s); we have not used this method to recommend share exchange ratio for proposed amalgamation of VCL and SMTL.

iii. Comparable Companies' Multiple ('CCM')/ Comparable Transactions' Multiple ('CTM') Method

Under CCM the value of shares/ business of a company is determined based on market multiples of publicly traded comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. CCM applies multiples derived from similar or 'comparable' publicly traded companies to a company's operating metrics. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company. The appropriate multiple is generally based on the performance of listed companies with similar business models and size.

Based on our discussion with the Management, we understand that there are no comparable listed companies which are operating in similar line of business and having similar business model as that of SMTL & VCL, we have therefore not used CCM method.

Under CTM the value of shares/ business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

Based on our discussion with the Management, we understand that there are no recent comparable transactions involving companies of similar nature and having a similar metrics as that of SMTL & VCL, we have therefore not used CTM method.

iv. Discounted Cash Flows ('DCF') Method for Equity Shares

The Discounted Free Cash Flows method is one of the most rigorous approaches for valuation of a business/asset/equity. In this method, the projected free cash flows from business operations are discounted at the weighted average cost of capital and sum of such discounted free cash flows is the value of the business. In case of valuation of share, projected free cash flows to firm are discounted at the cost of equity to arrive at the value of share.



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Using the Discounted Free Cash Flows method involves determining the following:

- Estimating future free cash flows,
- The time frame of the cash flows i.e. the explicit forecast Period,
- Appropriate Discount rate to be applied to cash flows
- The continuing value i.e. the cumulative value of the free cash flows beyond the explicit forecast period which is also known as Terminal Value
- Value of cash and cash equivalents and Surplus Assets

The detailed working of manner of determination of Free Cash Flow, Cost of Capital and Terminal Value are given in **Annexure – A** to this report.

The Fair Value of Equity Shares of VCL under DCF Method is **INR 4529 (Four Thousand Five Hundred Twenty-Nine)** and detailed working of same is given in **Annexure – B** to this report.

v. Discounted Cash Flows ('DCF') Method for Preference Shares

The valuation of cumulative redeemable preference shares involves discounting the expected future cash flows of the preference shares to their present value using an appropriate discount rate.

To value cumulative redeemable preference shares using the discounted cash flow method, the following steps are taken:

1. Determining the expected cash flows: The first step is to determine the expected cash flows that the preference shares will generate.
2. Determine the appropriate discount rate: The next step is to determine the appropriate discount rate to use in the valuation. This discount rate reflects the risk associated with the preference shares and adjusted for inflation and other factors that may affect the value of the shares.
3. Calculating the present value of the expected cash flows: Once the expected cash flows and discount rate have been determined, the present value of the cash flows is calculated by discounting them back to their present value.

The detailed working of manner of determination time frame of cash flow, cost of preference share is given in **Annexure – C** to this report.

The Fair Value of preference share of SMTL to be issued to the equity share holder(s) of VCL is **INR 10/- (Ten)** and detailed working of same is given in **Annexure – D** to this report.



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10. VALUATION CONCLUSION

The current valuation has been carried out based on the discussed valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, key underlying assumptions and limitations were given due consideration.

In order to assess the reasonableness of the value determined under each method, we have considered appropriate factors such as applicable nature of asset to be valued, availability of adequate inputs or information underlying the value and its reliability, premise of value, purpose and intended use of the valuation, amount of dependency on observable inputs and other relevant factors.

In the light of the above and on a consideration of all the relevant factors and circumstances, I recommend share Exchange ratio of:

"For every 10 (Ten) Equity Shares of Rs. 100/- each of VCL, the Equity Shareholders will receive 4529 (Four Thousand Five hundred and Twenty Nine) 12.38% cumulative redeemable preference shares of Rs. 10/- each of SMTL."

11. RESTRICTIONS ON USE OF THE VALUATION REPORT

This valuation report is meant for use for the limited purpose of share exchange ratio for proposed amalgamation of VCL with SMTL as on the valuation date or on a date close to the valuation date. It should not be used for any other purpose and by any other persons. Further, the valuation report is based on the available financial information from the company and publicly available sources, which we believe to be accurate. We accept no responsibility for any errors in the information on which the valuation conclusions are based.

12. MAJOR FACTORS THAT WERE TAKEN INTO ACCOUNT DURING THE VALUATION

For the purpose of Share Exchange Ratio for the proposed Scheme of Amalgamation for which this valuation report is issued, we are informed by the companies that the relevant date is **March 31, 2023**.

KEY TERMS OF PROPOSED REDEEMABLE PREFERENCE SHARES

Particulars	
Nature of instrument	Redeemable Preference Shares (RPS)
Coupon	12.38% cumulative
Face Value	INR 10/-
Redemption	Transferee Company New Preference Shares shall be redeemable at par at any time at the option of the Transferee Company after the period of 6 (six) months but not later than 20 (Twenty) years from the date of allotment of such Transferee Company New Preference Shares



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Particulars	
Tenure	20 (Twenty) years
Voting Rights	No voting rights
Listing	Transferee Company New Preference Shares shall not be listed on any Stock Exchanges
Transferability	Freely transferable

13. LIMITING FACTORS

My report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

1. This report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. The Company is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. The Report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.
2. In the course of the valuation, I was provided with both written and verbal information. I have however, evaluated the information provided to me by the Company through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. My conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company.
3. The valuation report is tempered by the exercise of judicious discretion by the RV, taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.
4. While my work has involved an analysis of financial information and accounting records, my engagement does not include an audit in accordance with generally accepted auditing standards of the clients existing business records. Accordingly, I express no audit opinion or any other form of assurance on this information.
5. I do not provide assurance on the achievability of the results forecast by the management as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management.
6. The client and its management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the owners/clients, their management and other third parties concerning the financial data except as specifically stated to the contrary in the report. I shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the companies, their directors, employee or agents.



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7. I have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where I have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.
8. The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.
9. I owe responsibility to only to the authority/client that has appointed me under the terms of the engagement letter. I will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall I be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the client or companies, their directors, employees or agents.
10. The report assumes that the company complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the company will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet/fixed assets register provided to me.
11. We are independent of the client/company and have no current or expected interest in the Company or its assets. The fee paid for our services in no way influenced the results of our analysis.
12. Our report is meant for the purpose mentioned above and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

Date: June 19, 2023
Place: Surat



Shreyansh M Jain
CP No.: ICSIRVO/SFA/38
IBBI R. No.: IBBI/RV/03/2019/12124



ANNEXURE-A

- **Free Cash Flows to the Firm (FCFF)**

FCFF are the cash flows expected to be generated by the Company that are available to providers of the Capital to the Equity as well as debt holders. FCFF is determined by Profit after Taxes, to which any non-cash expenses like Depreciation and amortization are added back. The above is adjusted for (i) change in working capital requirements (ii) investments in capital expenditure and other assets as well as (iii) change in non-current assets and liabilities and (iv) Interest Expense (Net off Tax). Free cash flows thus calculated will be equal to the sum of the cash flows available to Equity Shareholders and Debt Holders.

- **Time Frame of Cash Flows**

A problem faced in valuing a business is its indefinite life, especially where the valuation, as in the present case, is on a going concern basis. This problem could be tackled by separating the value of the business into two-time periods viz. explicit forecast period and post explicit forecast period. In such a case, the value of business will be value of free cash flows generated during the explicit forecast period and value of free cash flows generated during the post explicit forecast period. While projected free cash flows of the explicit forecast period could be estimated on the basis of business plan, the free cash flows of the post explicit forecast period could be estimated using an appropriate method. In the present case, we have been furnished with the financial projections from FY 2024 to FY 2028 we have considered the same for the purpose of valuation.

- **Appropriate Discounting Rate i.e. Weighted Average Cost of Capital**

The Weighted Average Cost of Capital (WACC) is the average rate that a company is expected to pay to all its equity and debt holders, to finance its assets. The WACC is the weighted average returns that a company must earn on an existing asset base to satisfy its owners and debt holders. Broadly speaking, a company's assets are financed by either debt or equity. WACC is the weighted average return for cost for equity shareholders as well as debt holders.

Discounting Factor

The discount factor considered for arriving at the present value of the FCFF is the WACC, which comprises of cost of debt and equity

$$\text{WACC} = K_d \cdot (1-t) \cdot [D/(D+E)] + K_e \cdot [E/(D+E)]$$

Where 'D' and 'E' represent the debt and equity portion respectively in the capital structure and 'r' represents required rate of return.

The WACC using the above parameters has been estimated at 20.17% after giving appropriate allowances for illiquidity of shares and company specific risk including risk associated with achieving the financial projections, etc.

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Given that cash flows are estimated to accrue evenly over the year, we have used the yearly discounting convention to discount the cash flows.

- **Cost of Equity (Ke)**

The cost of equity has been determined using the Capital Assets Pricing Model. For this purpose, the formula used is as under:

$$\text{CAPM (Ke)} = R_f + \beta (R_m - R_f) + \alpha$$

Where:

CAPM (Ke) = Discount rate derived from Capital Assets Pricing Model

R_f = Risk free rate of return

β = Beta factor as a measure of the systematic risk

R_m = Representative Market Return

(R_m - R_f) = Equity Market premium (ERP)

α = Company Specific Risk Premium

Capital Asset Pricing Model (CAPM) describes the relationship between systematic risk and expected return for assets, particularly stocks. CAPM is widely used throughout finance for pricing risky securities and generating expected returns for assets given the risk of those assets and cost of capital.

- **Cost of Debt (Kd)**

Cost of debt refers to the effective rate a company pays on its current debt. The cost of debt is used after including the tax impact. As informed by the management, the average effective interest rate for the debt will be 12.00% p.a.

We have considered a tax rate for debt at 18.00% to calculate the tax benefit on interest expense. Accordingly, we have arrived at 9.84% as post tax cost of debt.

- **Risk Free Rate**

The risk-free rate is generally based on the returns available from long-term Government Bonds and securities. These returns are used since they represent a very low default risk, are liquid (freely tradable) and include the expected long-term inflation premium. Based on current yield of various top traded long-term government securities, risk free rate has been considered as 7.32% as Yield of 10 Year Indian Government Bond.

(Source: <https://in.investing.com/rates-bonds/india-10-year-bond-yield-historical-data>)

- **Equity Risk Premium**

The Equity Risk Premium (ERP) is the additional amount of return over the risk-free rate that is required to compensate the investor for the additional risk of investing in the equity. It is typically measured by the amount by which historical returns in the equity security markets, over a long period of time, have exceeded the returns from risk free investments. Such historical return from investment in



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the equity markets – which is the sum of return by way of capital appreciation and return by way of dividend yield – is the market return. We have considered equity risk premium of 6.28% based on the return of BSE Healthcare Index Return since inception. (Market Return = 13.60%)

- Beta (β)**

Systematic risk is measured in the CAPM by a factor known as Beta. Beta is a measure of volatility or systematic risk, of a security or a portfolio in comparison to the market as a whole. The beta of the asset has to be estimated relative to the market portfolio and by selecting the comparable companies closely associated with the subject company. We have considered levered Beta of 0.81 applying the Debt/Equity ratio and tax rate on the median of Unlevered Beta of the comparable companies of 0.70 as calculated below:

Name of the Comparable Companies	Total Debt (\$mm)	Market Equity Value (\$mm)	Debt /Total Cap	Debt % of Equity	Equity /Total Cap	Levered Beta*	Unlevered Beta
Cochlear Limited	254	15,568	2%	2%	98%	0.45	0.44
Cardiovascular Systems, Inc.	20	833	2%	2%	98%	0.74	0.73
Establishment Labs Holdings, Inc.	179	1,653	10%	11%	90%	1.01	0.94
Median							0.70

*5-Year Monthly Beta based on the data available on Yahoo Finance

- Company Specific Risk Premium (α)**

Company Specific Risk Premium (CSRP) is the risk unique to the company. It includes Additional Business Risk, Economic Risk, Projection Risk, Technology Risk and Legal Risk. Hence to compensate the investor for this aspect, we have considered 9.00% premium towards CSRP.

STATEMENT SHOWING WEIGHT AVERAGE COST OF CAPITAL

Particulars	
Risk-Free Rate (Rf)	7.32%
Equity Risk Premium (Rp)	6.28%
Company Risk Premium (α)	4.00%
Beta (β)	0.81
Cost of Equity	16.40%
Average Cost of Debt	9.00%
Tax Rate	18.00%
Post-Tax cost of Debt	7.38%
Weightage	
Equity	0.88
Interest Bearing Debt	0.12
Weighted Cost of Capital	15.31%



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- **Terminal Value**

The terminal value of an on-going business could best be determined as present value of estimated future free cash flows in order to obviate the need to forecast the Company's cash flows in detail for an indefinite period. On this basis, the calculation of the terminal value may be made by capitalizing the free cash flows of the terminal year with Cost of Capital, adjusted for the future expected growth ("g"). As per our estimate, 4.00% should be assumed to be a long-term rate at which company should grow and accordingly the same is considered as perpetual growth rate for the purpose of valuation of Vascular Concept. FCFF at the end of explicit forecast period which is FY 2027-28 is considered for calculation of terminal value. Other aspects in this regard have been described above under the heading of explicit forecast period.

STATEMENT SHOWING CALCULATION OF TERMINAL VALUE

Particulars	Amount in Million
UFCF of last explicit year	96.32
Weighted Cost of Capital	15.31%
Growth Rate	4.00%
Terminal Value	885.82
Terminal period flag	0.49
PV of Terminal Value	434.54



ANNEXURE-B

- Equity Value of VCL**

To arrive at the total value attributable to the equity shareholders of the business, value arrived through DCF method for the Company is adjusted by subtracting outstanding Debts & Preference shareholding, if any, there from and adjusting for the inflow on exercise of options, non-operating assets/ liabilities (e.g. fair value of investments, any contingent liabilities, etc.). The total adjusted value for equity shareholders is then divided by the total number of equity shares to arrive at the value per equity share.

STATEMENT SHOWING FREE CASH FLOW TO FIRM

(Amount in INR Millions)

	FY24P	FY25P	FY26P	FY27P	FY28P
Explicit period for the purpose of valuation	1.00	1.00	1.00	1.00	c
Terminal period flag					1.00
PAT	52.32	55.68	55.69	70.95	86.84
Add: Interest (net of tax)	6.12	6.12	6.12	6.12	6.12
Add: depreciation	5.00	5.00	5.00	5.00	5.00
Less: capex	-1.00	-1.00	-1.00	-1.00	-1.00
Add/(less): changes in WC	6.50	1.49	2.83	-0.87	-0.64
FCFF	68.95	67.30	68.65	80.20	96.32
FCFF for explicit period	68.95	67.30	68.65	80.20	96.32
Terminal period cash flow					885.82
FCFF to be discounted	68.95	67.30	68.65	80.20	96.32
Discount factor	0.87	0.75	0.65	0.57	0.49
Discounted cash flows	59.79	50.61	44.77	45.37	481.79

STATEMENT SHOWING VALUE PER SHARE

Particulars	Amount in Million
Net Present Value of Explicit Period	682
Add: Cash and Cash Equivalent	58
Less: Debt	25
Equity Valuation	715
Number of Shares	157854
Value per Share	4529

ANNEXURE-C

- **Time Frame of Cash Flows**

The Transferee Company has proposed to issue 12.38% cumulative redeemable preference share to the shareholders of Transferor Company. Transferee Company New Preference Shares shall be redeemable at par at any time at the option of the Transferee Company but not later than 20 (Twenty) years from the date of allotment of such preference share. As the preference shares are redeemable at any time at the option of Transferee Company, we have considered life span of redeemable preference shares based on maximum period of RPS i.e. 20 years.

- **Appropriate Discounting Rate i.e. Cost of Preference Share**

The cost of preference shares has been determined using the Capital Assets Pricing Model with appropriate discount as preference shares are less risky than equity shares but riskier than debt. For this purpose, the formula used is as under:

$$\text{Cost of Preference Share} = \text{Risk-Free Rate} + \text{Risk Premium}$$

- **Risk Free Rate**

The risk-free rate is generally based on the returns available from long-term Government Bonds and securities. These returns are used since they represent a very low default risk, are liquid (freely tradable) and include the expected long-term inflation premium. Based on current yield of various top traded long-term government securities, risk free rate has been considered as 7.32% as Yield of 10 Year Indian Government Bond.

(Source: <https://in.investing.com/rates-bonds/india-10-year-bond-yield-historical-data>)

- **Default Risk Spread**

The default risk premium is the additional yield that investors demand to compensate for the risk of default by the Company. The default risk premium reflects the probability of default and the expected loss given default. The default risk premium can be estimated based on the credit rating of the issuer and the yield spread of similarly rated bonds in the market. The SMTL has credit rating of BBB and accordingly we have taken default risk premium of 5.1% based on spread of BBB rated Bond Yield as per risk spread published by FIMMDA.

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ANNEXURE-D

STATEMENT SHOWING VALUE OF PREFERENCE SHARES

Particular	Year	Outflow	Discounting Period (in Year)	Discount Rate	PV of Outflow
Payout of Dividend	31-03-2024	1.24	1	0.8899	1.10
Payout of Dividend	31-03-2025	1.24	2	0.7919	0.98
Payout of Dividend	31-03-2026	1.24	3	0.7047	0.87
Payout of Dividend	31-03-2027	1.24	4	0.6271	0.78
Payout of Dividend	31-03-2028	1.24	5	0.5580	0.69
Payout of Dividend	31-03-2029	1.24	6	0.4966	0.61
Payout of Dividend	31-03-2030	1.24	7	0.4419	0.55
Payout of Dividend	31-03-2031	1.24	8	0.3932	0.49
Payout of Dividend	31-03-2032	1.24	9	0.3499	0.43
Payout of Dividend	31-03-2033	1.24	10	0.3114	0.39
Payout of Dividend	31-03-2034	1.24	11	0.2771	0.34
Payout of Dividend	31-03-2035	1.24	12	0.2466	0.31
Payout of Dividend	31-03-2036	1.24	13	0.2194	0.27
Payout of Dividend	31-03-2037	1.24	14	0.1953	0.24
Payout of Dividend	31-03-2038	1.24	15	0.1738	0.22
Payout of Dividend	31-03-2039	1.24	16	0.1546	0.19
Payout of Dividend	31-03-2040	1.24	17	0.1376	0.17
Payout of Dividend	31-03-2041	1.24	18	0.1224	0.15
Payout of Dividend	31-03-2042	1.24	19	0.1090	0.13
Payout of Dividend and Repayment of Redemption of Preference Shares	31-03-2043	11.24	20	0.0970	1.09
PV of Cash Flow on Preference Shares					10.00



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The Board of Directors, Sahajanand Medical Technologies Limited

Sahajanand Estate,
Wakharia Wadi,
Near Dabholi Char Rasta,
Nani Ved, Ved road, Surat,
Gujarat – 395 004, India

Independent Auditor’s Certificate certifying the proposed accounting treatment included in the Draft Scheme of Amalgamation of Vascular Concepts Limited (“Transferor Company”) and Sahajanand Medical Technologies Limited (“the Company/Transferee Company”) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013

1. This certificate is issued in accordance with the terms of our engagement letter dated January 9, 2023.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number 117366W/W-100018), the Statutory Auditors of Sahajanand Medical Technologies Limited (the “Company” / “Transferee Company”), have examined the proposed accounting treatment as specified in Paragraph 9 of Part D of the draft scheme with regard to amalgamation of Vascular Concepts Limited with Sahajanand Medical Technologies Limited (hereinafter referred as “the Scheme”) between Sahajanand Medical Technologies Limited and Vascular Concepts Limited and their respective shareholders in terms of the provision of Section 230 to 232 of the Companies Act, 2013 and for the compliance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under and other generally accepted accounting principles.

Management’s responsibility

3. The responsibility for the preparation of the Scheme including the proposed accounting treatment therein as included in Paragraph 9 of Part D of the Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under, and Other Generally Accepted Accounting Principles, as applicable, is that of the Board of Directors of the Company. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making an estimate that are reasonable in the circumstance.

Auditor’s responsibility

4. Our responsibility is only to examine and report whether the proposed accounting treatment included in Paragraph 9 of Part D of the Scheme referred above complies with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the rules made there under and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services

Deloitte Haskins & Sells LLP

that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

5. We carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Scheme.

Opinion

7. Based on our examination and according to the information and explanations given to us, we are of the opinion that the proposed accounting treatment contained in Paragraph 9 of Part D of the Scheme, is in compliance with the provisions of Section 230 to 232 of the Companies Act 2013, and with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under, and Other Generally Accepted Accounting Principles, as applicable.
8. For ease of reference, relevant extract of Paragraph 9 of Part D of the Scheme, duly authenticated on behalf of the Company, is reproduced in Annexure 1 to this Certificate and is initialed by us only for the purposes of identification.

Restriction on use

9. This certificate is issued at the request of the Company pursuant to the requirements of Section 230 to 232 of the Companies Act, 2013, for onward submission by the Company to the National Company Law Tribunal, Ahmedabad Bench and any regulatory and other authority for the purpose of implementation of the Scheme. This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jain
Mukeshkumar
Parasmal

Digitally signed by Jain
Mukeshkumar Parasmal
Date: 2023.06.19
21:44:21 +05'30'

Mukesh Jain
Partner
Membership No. 108262
UDIN: 23108262BGTJNQ3185

Mumbai, June 19, 2023

Annexure 1

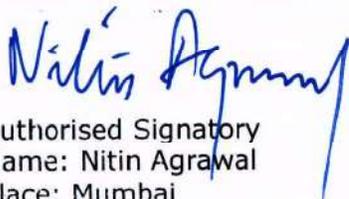
Relevant Extract of Proposed Accounting Treatment included in Paragraph 9 of the Scheme of Amalgamation of Vascular Concepts Limited ("Transferor Company" / "VCL") with Sahajanand Medical Technologies Limited ("Transferee Company" / "SMT") in terms of the provisions of Section 230 to 232 of the Companies Act, 2013:

Paragraph 9 of the Scheme:

9. ACCOUNTING TREATMENT IN THE BOOKS OF SAHAJANAND MEDICAL TECHNOLOGIES LIMITED (TRANSFEREE COMPANY)

Upon the Scheme being effective and with effect from the Appointed Date, SMT / Transferee Company shall account for the amalgamation, at book values, in accordance with Appendix C of Indian Accounting Standard 103 on Business Combinations and other Indian Accounting Standards, as applicable, and notified under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India.

For Sahajanand Medical Technologies Limited



Authorised Signatory
Name: Nitin Agrawal
Place: Mumbai
Date: 19 June 2023



IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT - 2

ITEM No.302
C.A.(CAA)/50(AHM)2023

Order under Section 230-232 of Co. Act, 2013

IN THE MATTER OF:

Vascular Concepts Limited
Sahajanand Medical Technologies Ltd.

.....Applicants

Order delivered on: 30/01/2024

Coram:

Mrs. Chitra Hankare, Hon'ble Member(J)
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open Court vide separate sheet.

Sd/-

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

Sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)

**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT-2**

CA(CAA)50/(AHM)/2023

[Application under Sections 230-232 and with other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016].

Scheme of Amalgamation

of

Vascular Concepts Limited
(Applicant Company No.1/Transferor Company)

with

Sahajanand Medical Technologies Limited
(Applicant Company No.2/Transferee Company)

And

Their respective Shareholders and Creditors

Order Pronounced on : 30.01.2024

CORAM:

**MRS.CHITRA HANKARE
MEMBER (JUDICIAL)**

**DR. VELAMUR G VENKATA CHALAPATHY
MEMBER (TECHNICAL)**

In the matter of:**Vascular Concepts Limited**

(CIN: U33119GJ1992PLC141664)

A Company incorporated under the provisions of Companies Act, 1956 and having its registered office at Sahajanand Estate, Wakharia Wadi, Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat-395 004, Gujarat.

.....Applicant No.1/
Transferor Company

Sahajanand Medical Technologies Limited

(CIN: U33119GJ2001PLC040121)

A Company incorporated under the provisions of Companies Act, 1956 and having its registered office at Sahajanand Estate, Wakharia Wadi, Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat-395 004, Gujarat.

.....Applicant No.2/
Transferee Company

Appearance :

Mr. Ravi Pahwa, Advocate.

JUDGMENT

1. This is a joint Company Application Viz., (CA(CAA)/50(AHM)/2023) filed by two Applicant Companies, namely Vascular Concepts Limited (Transferor Company) and Sahajanand Medical Technologies Limited (Transferee Company Company) under Sections 230-232 of Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Amalgamation (hereinafter referred to as the

“Scheme”) proposed by the Applicant Companies. The said Scheme is also appended as “Annexure–H” to the CA(CAA)/50 (AHM) 2023.

2. It is represented that the registered office of both the applicant companies are situated within the territorial jurisdiction of Registrar of Companies, Surat, Gujarat, which is falling under the jurisdiction of this Tribunal.
3. The Board of Directors of both the Applicant Companies have approved the Scheme of Amalgamation through Board Resolutions dated 19.06.2023 and 20.06.2023 passed in their respective Board Meetings. Affidavits in support of the above joint application were sworn by Mr. Ganesh Sabat and Mr. Nitin Agrawal, authorized representatives of Applicant Company No.1, and Applicant Company No.2 respectively, duly authorized vide Board Resolutions dated 19.06.2023 and 20.06.2023 for the respective Applicant Companies. Affidavits and copies of the Board Resolutions are placed on record.
4. The applicant companies in this Company Application have sought for the following reliefs;

	Equity Shareholders	Preference Shareholders	Secured Creditors	Unsecured Creditors
Transferor Company	Dispensation of meeting	N.A	N.A.	N.A.
Transferee Company	Dispensation of meeting	N.A.	N.A.	Dispensation of meeting

5. From the certificate of incorporation filed, it is evident that the Transferor Company is a Private Limited Company, incorporated under the provisions of Companies Act, 1956 on 25.05.1992 and its registered office is situated in Ahmedabad, in the State of Gujarat.

The details of Share Capital as on 31.03.2023 are as under:-

Particulars	Amount in Rs.
Authorized Share Capital	
2,00,000 equity shares of INR 100 each	2,00,00,000
Total	2,00,00,000
Issued, subscribed and paid-up share capital	
1,57,854 equity shares of INR 100 each	1,57,85,400
Total	1,57,85,400

6. From the certificate of incorporation filed, it is evident that the Transferee Company is a Private Limited Company, 18.10.2001 and its registered office is situated in Surat, in the State of Gujarat.

The details of Share Capital as on 31.03.2023 are as under:-

Particulars	Amount in Rs.
Authorized Share Capital	15,00,00,000
15,00,00,000 equity shares of INR 1 each	
Total	15,00,00,000
Issued, subscribed and paid-up share capital	

10,14,03,232 equity shares Of INR 1 each	10,14,03,232
Total	10,14,03,232

7. **Vascular Concepts Limited (Transferor Company)**

- (i) There are 7 (seven) equity shareholders. Six equity shareholders holding 99% of the paid up share capital of the company have approved the proposed scheme on affidavits. The said consent affidavits and C.A. certificate confirming list of shareholders are placed on record.
- (ii) There are no secured and preference shareholders. The Chartered Accountant has certified that there are no secured and preference shareholders.
- (iii) There are 4 (four) unsecured creditors as on 31.03.2023 having total outstanding debt of Rs.20,65,54,060/-. Three unsecured creditors representing more than 90% (i.e. Rs.19,84,12,847/-) of the outstanding value of the debt have given their consent affidavits approving the proposed Scheme. The said consent affidavits and C.A. certificate confirming list of secured creditors are placed on record.

8. **Sahajanand Medical Technologies Ltd. (Transferee Company)**

- (i) There are 10 (ten) equity shareholders and all the equity shareholders have given their written consent on affidavits

approving the proposed scheme. The said consent affidavits and C.A. certificate confirming list of shareholders are placed on record.

- (ii) There are no preference shareholders. The Chartered Accountant has certified that there are no preference shareholders.
- (iii) There are 11 (eleven) secured creditors as on 31.03.2023 having total outstanding debt of Rs.35,67,39,952/-. Two secured creditors representing more than 90% (i.e. Rs.35,48,67,032/-) of the outstanding value of the debt have given their consent affidavits approving the proposed Scheme. The said consent affidavits and C.A. certificate confirming list of secured creditors are placed on record.
- (iv) There are 283 (two hundred eighty three) unsecured creditors as on 31.03.2023 having total outstanding amount of Rs.64,39,30,457/-. Twenty nine unsecured creditors representing approximately 81% (i.e. Rs.52,21,71,459/-) of the outstanding value of the debt have given their consent affidavits approving the proposed Scheme.

- 9. The Appointed Date as specified in the Scheme is **01.04.2023**. This application is filed on 18.09.2023.
- 10. The Statutory Auditor of the Transferee Company has examined the Scheme in terms of provisions of Section 232 of

Companies Act, 2013 and the rules made thereunder and certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013.

11. Valuation Report on share exchange ratio dated 19.06.2023 issued by Mr.Shreyansh M. Jain, Registered Valuer, having Registration No.IBBI/RV/03/2019/12124, is placed on record.
12. The equity shareholders or any other securities are not listed on stock exchanges.
13. No investigation or proceedings under Sections 201 to 227 of the Companies Act, 2013 have been instituted or are pending in relation to the applicant companies.
14. The scheme does not provide for any capital reduction. The scheme also does not provide for any corporate debt restructuring.
15. The provisions of Competition Act, 2002 are not applicable to the present Scheme and hence no notice is required to be issued to the said authority.
16. Taking into consideration, the application filed by the Applicant Companies and the documents filed therewith as well as the position of law, this Tribunal propose to issue the following order:-

ORDER

i. Company Application No.CA(CAA)50/(AHM)2023 is allowed subject to compliance with the terms of this order.

ii. **In relation of the Transferor Company**

a. With respect to Equity Shareholders

Meeting of the equity shareholders is hereby dispensed with, in view of consent affidavits of 99% of the equity shareholders.

a. With respect to Preference Shareholders

Since there are no preference shareholders, the question of convening/holding the meeting does not arise.

b. With respect to Secured Creditors

Since there are no secured creditors, the question of convening/holding the meeting does not arise.

c. With respect to Unsecured Creditors

Meeting of the unsecured creditors is hereby dispensed with, in view of consent affidavits of more than 90% of the unsecured creditors.

iii. **In relation of the Transferee Company**

a. With respect to Equity Shareholders

Convening of the meeting the equity shareholders of the company is hereby dispensed with, in view of their consent affidavits.

b. With respect to Preference Shareholders

Since there are no preference shareholders, the question of convening/holding the meeting does not arise.

c. With respect to Secured Creditors

Meeting of the secured creditors is hereby dispensed with, in view of consent affidavits of more than 90% of the secured creditors.

d. With respect to Unsecured Creditors

Transferee Company is directed to convene the meeting of its unsecured creditors.

The meeting of the unsecured creditors shall be convened, in physical mode, and to be held on **March 2, 2024 at 11 a.m.**, for the purpose of considering, and, if thought fit, approving, with or without modification(s), the proposed Scheme.

- iv. The meeting of the unsecured creditors of the Transferee Company shall be held at the registered office of the Transferee Company situated at Sahajanand Estate, Wakharia Wadi, Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat - 395 004, Gujarat.

- v. The quorum for the meeting of the unsecured creditors shall be as per Rule 5 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- vi. In case the quorum as noted above, for the above meeting of the Transferee Company is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present and voting shall be deemed to constitute the quorum. For the purpose of computing the quorum, the valid proxies shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meetings, is filed with the registered office of the Transferee Company at least 48 hours before the meeting. The Chairperson appointed herein along with Scrutinizer shall ensure that the proxy registers are properly maintained. However, every endeavour should be made by the Transferee Company to attain at least the quorum fixed, if not more in relation to approval of the scheme.
- vii. Mr. Prashant Patel, Independent Practicing Advocate, shall be the Chairperson and in his absence Mr. Dipak Rachchh, Independent Practicing Advocate, is appointed as the alternate Chairperson of the above meeting to be held on March 2, 2024 and in any adjourned meeting(s).
- viii. Ms.Hirva Dave, Independent Practicing Advocate, is appointed as Scrutinizer of the aforesaid meeting to be held on March 2, 2024 and in any adjourned meeting(s).

- ix. At least one month before the date of the aforesaid meeting, an advertisement about convening of the said meeting, indicating the date, place and time as aforesaid, shall be published in “Business Standard” English Daily and in “Sandesh” Gujarati Daily, having circulation in the State of Gujarat. The publication shall indicate the time within which copies of the Scheme of Amalgamation shall be made available to the concerned persons free of charge from the registered office of the Company. The publication shall also indicate that the statement required to be furnished pursuant to Section 102 of the Act read with Sections 230 to 232 of the Act can be obtained free of charge from the registered office of the Transferee Company or at the office of its advocates viz. Thakkar and Pahwa, Advocates, 71, New York Tower-A, Opp. Muktidham Derasar, Thaltej, Ahmedabad-380054.
- x. The Chairperson appointed for the aforesaid meeting shall issue advertisement and send out notice of the meeting referred to above. The Chairperson is free to avail the services of Transferee Company or any agency for carrying out the aforesaid directions. The Chairperson shall have all powers under the Articles of Association of the Transferee Company and also under the Rules in relation to the conduct of meeting, including for deciding any procedural question that may arise at the meeting or adjournment thereof proposed at the said meeting, amendment(s) to the aforesaid scheme or resolutions, if any, proposed at the aforesaid meeting by

any person(s) and to ascertain the decision of the sense of the meeting of unsecured creditors of the Transferee Company.

- xi. The Chairperson shall file an affidavit not less than 7 (seven) days before the date fixed for holding of the meeting and to report to this Tribunal that the directions regarding issuance of notice and advertisement of meeting have been duly complied with as per Rule 12 of Companies (CAA) Rules, 2016.
- xii. It is further ordered that the Chairman shall report to this Tribunal on the result of the said meeting in Form No. CAA.4, verified by his affidavit as per Rule 14 of the Rules in Form No. CAA.4 within 7 (seven) days after the conclusion of the meeting.
- xiii. We direct the applicant companies to pay a sum of Rs.50,000/- to the Chairman (or in his absence to the substitute mentioned in the order) and a sum of Rs. 25,000/- to the Scrutinizer as their fees.
- xiv. In compliance of sub-section (5) of Section 230 and Rule 8 of the Companies (CAA) Rules, 2016, the applicant companies shall send a notice in Form No.CAA.3 along with a copy of the Scheme of Amalgamation, explanatory statement and the disclosures mentioned under Rule 6, to **(i)** the Central Government through the Regional Director, North Western Region; **(ii)** the Registrar of Companies, Gujarat, Ahmedabad; **(iii)** the Reserve Bank of India **(iv)** the Official Liquidator (only for Transferor

Company) and **(v)** Income Tax Department along with full details of assessing officer and PAN numbers of the Applicant Companies with copy also to the Principal Chief Commissioner of Income Tax Office, to such other sectoral regulatory authorities who may govern the working of the Applicant Companies, stating that representations, if any, to be made by them shall be made within a period of 30 days from the date of receipt of such notice, failing which it shall be presumed that they have no objection to make on the proposed Scheme. The said notices shall be sent forthwith by email or by registered post or by speed post or by courier or by hand delivery at the office of the authority as required by sub-rule (2) of Rule 8 of the Companies (CAA) Rules, 2016. The aforesaid authorities, who desire to make any representation under sub-section (5) of Section 230 of the Act, shall send the same to this Tribunal with a copy of the same to be supplied to the Applicant Companies.

- xv. All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicants.
- xvi. The applicant companies shall file a compliance affidavit with the Registry with regard to the directions given in this order.

17. Company Application is disposed off accordingly.

Sd/-

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

Sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)

sr

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT - 2

ITEM No.18
C.A.(CAA)/50(AHM)2023

Proceedings under Section 230-232 of Co. Act, 2013

IN THE MATTER OF:

Vascular Concepts Limited
Sahajanand Medical Technologies Ltd.

.....Applicants

Order delivered on: 31/01/2024

Coram:

Mrs. Chitra Hankare, Hon'ble Member(J)
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

PRESENT:

For the Applicants : Mr. Ravi Pahwa, Adv.

ORDER

The Ld. Counsel for the applicant filed a speaking to minutes and appeared before this Tribunal. He stated that in the application, he had mentioned the date for convening the meeting as 2 March 2024. The Tribunal had allowed the application and accordingly order was passed on 30.1.2024. However, the time period may not be sufficient to convene the meeting before 2 March 2024 as directed, hence, he prayed for giving further time up to 45 days from the date of the order. In view of the difficulty, the Tribunal directs the applicant to "convene the meeting on any date on or before 45 days from the date of the order dated 30.1.2024". The order thus stands amended accordingly.

-Sd-

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

-Sd-

CHITRA HANKARE
MEMBER (JUDICIAL)

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

SAHAJANAND MEDICAL TECHNOLOGIES LIMITED

CIN: U33119GJ2001PLC040121

Registered Office: Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India

Telephone: +91 261 6112800 || **E-mail:** contact@smtpl.com || **Website:** www.smtpl.com

**Before the National Company Law Tribunal
Bench, at Ahmedabad**

In the matter of the Companies Act, 2013

AND

SCHEME OF AMALGAMATION OF VASCULAR CONCEPTS LIMITED WITH SAHAJANAND MEDICAL TECHNOLOGIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

AND

In the matter of Sections 230 – 232 and other applicable provisions of the Companies Act, 2013

Sahajanand Medical Technologies Limited... **Company**

Name of the unsecured creditor: _____

Registered Address:

Email-Id: _____

I/ We being the unsecured creditor(s) of Sahajanand Medical Technologies Limited hereby appoint:

1) Name: _____

Address:

Email-ID: _____

Signature: _____

Or failing him / her / it

2) Name: _____

Address:

Email-ID: _____

Signature: _____

Or failing him / her / it

3) Name: _____

Address:

Email-ID: _____

Signature: _____

As my / our proxy and whose signature(s) are appended above to attend and vote (on Poll) for me/ us and on my/ our behalf at the Meeting of the Company to be held on March 12, 2024 at 11.00 a.m. at Sahajanand Estate, Wakharia Wadi, Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India, and at any adjournment or adjournments thereof in respect of such resolutions and in such manner as are indicated below:

Sr. No.	Resolution	For	Against
1	APPROVAL FOR THE SCHEME OF AMALGAMATION OF VASCULAR CONCEPTS LIMITED (“TRANSFEROR COMPANY”) WITH SAHAJANAND MEDICAL TECHNOLOGIES LIMITED (“TRANSFeree COMPANY”) AND THEIR RESPECTIVE SHAREHOLDERS (“SCHEME”)		

Signed this _____ day of _____

Signature of unsecured creditor _____

Signature of Proxy holder(s) _____

Please
affix
Revenue
Stamp of
Re. 1

NOTES:

- 1) This Form of Proxy in order to be effective, should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2) Please affix revenue stamp before putting signature.
- 3) In case of any alterations made in the Form of Proxy, the alteration should be initialed.
- 4) In case of multiple proxies, the proxy later in time shall be accepted.
- 5) Proxy need not be the creditor of the Company.
- 6) Body Corporate unsecured creditor(s) would be required to deposit certified copies of board resolutions or power of attorney in original, as the case may be, authorizing the individuals named therein, to attend and vote at the meeting on its behalf. These documents must be deposited at the registered office of Company at least 48 hours before the time of holding the Meeting.
- 7) This is only optional, please put ‘X’ in the appropriate column against the resolution indicated in the box. If you leave the ‘For’ or ‘Against’ column blank against the resolution, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

SAHAJANAND MEDICAL TECHNOLOGIES LIMITED

CIN: U33119GJ2001PLC040121

Registered Office: Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India

Telephone: +91 261 6112800 | **E-mail:** contact@smtpl.com || **Website:** www.smtpl.com

ATTENDANCE SLIP

MEETING OF THE UNSECURED CREDITORS ON MARCH 12, 2024 AT 11.00 A.M.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Name of Unsecured Creditor	
Address	
Name of the Proxy holders / Authorised Representative*	

* To be filled in by the Proxy in case he/she attends instead of the Unsecured Creditor.

I/We hereby record my/our presence at the Meeting of the Unsecured Creditors of the Company, convened on Tuesday, March 12, 2024 at 11 a.m. (IST) at Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta, Nani Ved, Ved Road, Surat – 395 004, Gujarat, India pursuant to the Order dated January 30, 2024 and January 31, 2024 of the Hon'ble Tribunal.

Unsecured Creditor / Proxy / Authorised Representative

NOTE:

1. Unsecured Creditors attending the meeting in person or by proxy or through authorised representative are requested to complete and bring the attendance slip with them and hand it over at the entrance of the Meeting hall.
2. Unsecured Creditors/proxy holder who desire to attend the meeting should bring his / her copy of the Notice for reference at the Meeting.
3. Unsecured Creditors are informed that no duplicate slips will be issued at the venue of the Meeting and they are requested to bring this slip for the Meeting.

If undelivered, return to:

Sahajanand Medical Technologies Limited

Sahajanand Estate, Wakharia Wadi Nr. Dabholi Char Rasta,
Nani Ved, Ved Road, Surat – 395 004, Gujarat, India

Telephone: +91 261 6112800

Website: www.smtpl.com

Map to the Meeting venue

