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TRANSCORP INTERNATIONAL LIMITED  
("AMALGAMATED COMPANY" / "DEMERGED COMPANY")

AND

TRANSCORP ESTATES PRIVATE LIMITED  
("AMALGAMATING COMPANY")

AND

TRANSWIRE FOREX LIMITED  
("RESULTING COMPANY 1")

AND

TRANSCORP PAYMENTS LIMITED  
("RESULTING COMPANY 2")

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## Share Entitlement Ratio Report Recommending Fair Share Exchange Ratio



# CorpValuers

IBBI Registered Valuers & Corporate Law Professionals

## ABHINAV AGARWAL

FCS, LL.B., M.COM(BPCG), RV(IBBI)

**Registered Valuer**

Securities or Financial Assets

Regn No. IBBI/RV/06/2019/12564

ICAIRVO membership no. ICAIRVO/06/RV-P00292/2019-2020



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June 24, 2022

To,

**The Board of Directors**  
**Transcorp International Limited**  
Plot No. 3, HAF Pocket,  
Sector 18A, Near Veer Awas, Dwarka,  
Phase II, New Delhi - 110 075, India

**The Board of Directors**  
**Transcorp Estates Private Limited**  
05th Floor, Transcorp Towers  
Moti Doongri Road  
Jaipur - 302 004, Rajasthan, India

**The Board of Directors**  
**Transwire Forex Limited**  
C/o IHMR, 2nd Floor, Plot No. 3, HAF Pocket,  
Sector 18A, Dwarka, Phase-II Dwarka West Delhi  
DL 110075 IN

**The Board of Directors**  
**Transcorp Payments Limited**  
C/o IHMR 2nd Floor Plot no.3, HAF Pocket, Sector  
18 A Dwarka Phase II Delhi West Delhi DL 110075  
IN

**Sub.: Report on Share Entitlement Ratio for the proposed Composite Scheme of Arrangement between Transcorp International Limited ("Amalgamated Company" / "Demerged Company"), Transcorp Estates Private Limited ("Amalgamating Company"), Transwire Forex Limited ("Resulting Company 1") and Transcorp Payments Limited ("Resulting Company 2") and their respective shareholders and creditors**

Dear Sir / Madam,

I refer to the engagement letter dated June 23, 2022 with Transcorp International Limited ("**Amalgamated Company**" / "**Demerged Company**") to report fair share entitlement ratio for the (i) proposed amalgamation of Transcorp Estates Private Limited ("**Amalgamating Company**") with Transcorp International Limited ("**Amalgamated Company**"); (ii) demerger of Foreign Exchange Undertaking and vesting of the same into Transwire Forex Limited (the "**Resulting Company 1**") and (iii) demerger of Payment Systems Undertaking and vesting of the same into Transcorp Payments Limited (the "**Resulting Company 2**") as a part of Composite Scheme of Arrangement with effect from Appointed date, i.e., April 01, 2022, as defined in respective Sections of the Scheme or such other date as may be decided by the Board of Directors and allowed by the Appropriate Authority.

There will be no issue and allotment of shares by the Amalgamated Company in consideration of amalgamation of the Amalgamating Company with the Amalgamated Company as the Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company.

Share entitlement ratio is the number of shares of the Resulting Company 1 and Resulting Company 2, that a respective shareholder of the Demerged Company would be entitled to in proportion to the existing shareholding in the Demerged Company. The definition of the Foreign Exchange Undertaking and Payment Systems Undertaking as per the draft Scheme provided to us is placed in Annexure I and Annexure II respectively.

#### **SCOPE AND PURPOSE OF ENGAGEMENT**

This transaction is proposed under a Composite Scheme of Arrangement under Sections 230-232 and other applicable provisions of the Companies Act, 2013, as may be applicable, read with Section 52 and 66 of the Companies Act, 2013 (the "**Scheme**"). As per the Scheme, the Resulting Company 1 and Resulting Company 2 will issue its shares to the respective shareholders of the Demerged Company as consideration for the demerger



and the shares held by the Demerged Company and its nominees in the Resulting Company 1 and Resulting Company 2 would stand cancelled.

This report provides share entitlement ratio recommending fair share exchange ratio for the proposed Demerger and is subject to the scope limitations, exclusions and disclaimers detailed hereinafter. As such the report is to be read in totality and not in parts, in conjunction with the relevant documents referred to therein.

This report is being issued under the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with circular issued by the SEBI, being Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Master Circular being Circular S EBI/HO/CFD/DIL1/CIR/P/2021/0000000665 issued by SEBI on November 23, 2021, as amended from time to time (the "SEBI Circulars") and in accordance with the requirement of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (as amended).

## DISCLOSURE OF VALUER INTEREST OR CONFLICT

I hereby declare that I am independent of the subject Companies for valuation and have not been under any direct or indirect influence, which may affect the valuation exercise. I also state that I have no financial interest in the subject companies for valuation. I also confirm that this engagement shall be in compliance with the model Code of Conduct issued by IBBI vide Valuation Rules.

## IDENTITY OF THE VALUER AND ANY OTHER EXPERTS INVOLVED IN THE VALUATION

There were no other valuers, apart from me, and experts involved in the carrying out process of valuation.

## DATE OF APPOINTMENT, VALUATION DATE AND DATE OF REPORT

For the purpose of this assignment of valuation, following shall be the key dates:

- a) **Valuation Date** - It refers to a point of time at which the asset is being valued in this report. The same is not relevant in this case.
- b) **Date of Appointment** - It refers to a date on which the engagement is provided to a Valuer i.e. June 23, 2022.
- c) **Date of Report** - It refers to a date on which the Report is signed by a Valuer. i.e. June 24, 2022.

## BACKGROUND

**Transcorp International Limited ("Demerged Company" / "Amalgamated Company")** is a public company, limited by shares and having its equity shares listed on the BSE Limited. The Amalgamated Company / Demerged Company was incorporated under the Companies Act, 1956 on December 20, 1994 and is presently having its registered office situated at Plot No. 3, HAF Pocket, Sector 18A, Near Veer Awas, Dwarka, Phase II, New Delhi – 110075, India. The Corporate Identification Number ('CIN') of the Amalgamated Company / Demerged Company is L51909DL1994PLC235697. Amalgamated Company / Demerged Company is engaged in the business of (i) buying and selling of foreign exchange, money changing and various permissible outward remittance activities as Authorised Dealer Category II licensed by Reserve Bank of India, (ii) issuing and operating payment system for pre-paid payment instruments in India under Prepaid Payment Instruments ("PPI") license granted to it by Reserve Bank of India, (iii) Financial Inclusion services as National Business Correspondent of State Bank of India and providing services such as Domestic Money Transfer, cash withdrawal and deposition, opening of non-frill accounts, participating in various Govt. incentive and benefit schemes etc. The Amalgamated Company / Demerged Company also has four wholly owned subsidiaries namely, Transcorp Estates Private Limited, Transwire Forex Limited, Transcorp Payments Limited and Ritco Travels and Tours Private Limited.





**Transcorp Estates Private Limited ("Amalgamating Company")** is a private limited company and a wholly owned subsidiary of Amalgamated Company. The Amalgamating Company was incorporated under the provisions of the Companies Act, 1956 on September 17, 2010 and is presently having its registered office situated at 5<sup>th</sup> Floor, Transcorp Towers, Moti Doongri Road, Jaipur, Rajasthan - 302004. The Corporate Identification Number ('CIN') of the Resulting Company 1 is U45201RJ2010PTC032864. Amalgamating Company is engaged in the business of renting of and dealing in immovable properties and also holds certain investments.

**Transwire Forex Limited ("Resulting Company 1")** is a public limited company and a wholly owned subsidiary of the Demerged Company. The Resulting Company 1 was incorporated under the provisions of the Companies Act, 2013 on June 23, 2022 and is presently having its registered office situated at C/o IHMR, 2nd Floor, Plot No. 3, HAF Pocket, Sector 18A, Dwarka, Phase-II Dwarka, Delhi - 110075. The Corporate Identification Number ('CIN') of the Resulting Company 1 is U67100DL2022PLC400559. Main object of the Resulting Company 1 is:

- (a) To act as money changers, brokers, dealers, agents, buyers, and sellers of all in foreign exchange in the form of currencies, travelers cheques, Bonds, notes. Instruments, papers, documents, to take positions hold and trade on the movements of foreign currencies on behalf of customers or otherwise, to hold, operate and transact in foreign currencies and/or exchange by maintaining foreign currency bank accounts or otherwise, and to issue or act as agents for travelers cheques, credit cards, phone cards and all Instruments in any currency subject to all rules, regulations and approvals as may be necessary. To undertake the business of money transfer (inward remittance and outward remittance), money remittance or prepaid cards with all its variations or extensions which are in existence or which may come into existence, within India and outside and as a principal or as an agent for any other person carrying on such business and to undertake export and import all foreign currencies. To deal in currency or exchange options, swaps, futures, in foreign or Indian currencies in direct or derivative forms in India or abroad on the Company's own behalf or on behalf of its clients, to manage, acquire, hold, exchange, dispose of monies, foreign exchange, funds, pools relating to and/or emanating from India or elsewhere on its own behalf or own behalf of its clients, customers, dealers, brokers, agents, trusts, funds, Govt. or other bodies, to do the business of broking in exchange, currencies, shares, securities, monies, or in other derivatives, to do the business of custodial services, assets, and securities, and/or portfolio management in India or abroad, on its own or on behalf of its clients, dealers, brokers and others.

**Transcorp Payments Limited ("Resulting Company 2")** is a public limited company and a wholly owned subsidiary of the Demerged Company. The Resulting Company 2 was incorporated under the provisions of the Companies Act, 2013 on June 20, 2022 and is presently having its registered office situated at C/o IHMR, 2nd Floor, Plot No. 3, HAF Pocket, Sector 18A, Dwarka, Phase-II Dwarka, Delhi - 110075. The Corporate Identification Number ('CIN') of the Resulting Company 2 is U72900DL2022PLC400316. Main objects of the Resulting Company 2 are as under:

- (a) To engage in the business of issuance of pre-paid payment instruments, cash cards, pre-paid cards, processing payments through online and offline modes including, without limitation, point of sale, mobile and internet platforms, telephone and IVR, mobile and e-wallets, money transfer services and any other related services and to undertake systems study, analysis, design, development of software systems, hardware and related activities for the implementation of above mentioned activities in the areas of payment systems; and to undertake any associated or ancillary activities. To carry on the business of providing different types of payments related services both online and offline including, without limitation, payment aggregation services and payment gateway services, development of infrastructure relating to, amongst other things, information technology, handling, facilitating, processing and settlement of payment related transactions, resolution of grievances and disputes between various parties and allied activities.
- (b) To operate as a Bharat Bill Payment Operating Unit (BBPOU) for on-boarding billers, customers and aggregators and facilitating processing of payments and to undertake any associated or ancillary activities. To carry on the business of processing and settlement of import and export related payments an Online Payment Gateway Service Provider (OPGSP) and to undertake any associated or ancillary activities. To carry on sale, purchase, promotion, technology integration and management of coupons, vouchers, loyalty cards, gift cards through online and offline modes including, without limitation, all types of mobile and internet platforms; to





undertake tie-ups and alliances with various persons or entities for the above mentioned activities and to undertake any associated or ancillary activities. To carry on the business of providing mobile and web designing and development services, mobile and web application solutions, software development services, web hosting services, provision of electronic services, internet related consultancy services, internet marketing, online information services, online application integration, information technology and information technology enabled services, maintenance services and other mobile and internet related systems, services, products, information, technology and solutions, to act as a banking correspondent, service provider, marketing partner, distribution partner and/or as an agent or partner or service provider acting in any other capacity for any banks or other financial institutions or any other entities issuing or selling any financial, investment or insurance related products, instruments or services, and to undertake any associated or ancillary activities. To establish and operate business activities in the area of artificial intelligence and other technology related to Payment systems in India and outside India.

- (c) To carry on the business in India or elsewhere of providing a platform, technology services and/or other mechanism through any future known or unknown technology, in the physical and/or electronic form, and/or any other means, to facilitate transactions, conduct business, and such similar, incidental and ancillary activities thereto including but not limited to any advertisements, promotions and analytics services. To carry on the business in India and elsewhere of designing, researching, developing, manufacturing, assembling, purchasing, importing, exporting, supplying, buying, selling, repairing and otherwise dealing in and handling portfolio of products that integrate Automates Teller Machine (ATM) management, Point of Sale (POS) and merchant systems, credit and debit card systems and internet banking all related and auxiliary items and accessories and provide any time – anywhere transactions by deploying Automated Teller Machines, cash dispensers or their variations and/or to act as a Shared Payment Network System (SPNS) provider and operator engaged in setting up, maintaining and supporting the ATM network(s) so deployed that supports credit cards, debit cards and smart cards across the card issuing banks and/or institutions and to provide POS facilities by sponsoring POS terminals in the network on modes such as Standard Interface, Direct Connect or Host Interface and provide other related services. To establish and run payment systems in emerging markets. To act as White Lable ATM deployer and operator providing end to end ATM and network management and to apply to Reserve Bank of India or any other designated Authority empowered to provide the required authorization, procure and implement appropriate license(s).

Upon the Scheme becoming effective, entire issue, subscribed and paid up capital of the Amalgamating Company shall, ipso facto, without any further application, act, deed of instrument stand extinguished and cancelled and no new equity shares of the Amalgamated Company will be issued or allotted with respect to the equity shares held by the Amalgamated Company and its nominees in the Amalgamating Company.

Upon the Scheme coming into effect, the authorized share capital of the Amalgamated Company shall automatically stand increased by merging the authorized share capital of the Amalgamating Company by value with the Amalgamated Company having face value INR 2 each without any further act or deed on the part of the Amalgamated Company.

As per the draft scheme and discussions with the management of the Amalgamated Company, I understand that in pursuance of the amalgamation, the entire business and undertaking of the Amalgamating Company shall be and stand transferred to and be vested in the Amalgamated Company. In consideration thereof, there will be no issue and allotment of shares by the Amalgamated Company in consideration of amalgamation of the Amalgamating Company with the Amalgamated Company as the Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company. Also, all equity shares held by the Amalgamated Company and its nominees in the Amalgamating Company shall be cancelled and extinguished as on the Appointed Date.

Upon demerger all the shareholders of the Demerged Company are and will, upon demerger, be the ultimate beneficial owners of the Resulting Company 1 and the Resulting Company 2 and in the same ratio as they hold shares in the Demerged Company, as on record dates to be decided by the management of the Demerged Company and the set of shareholders and holding proportion being proposed for the Resulting Company 1 and Resulting Company 2, both, is identical to that of the Demerged Company. Hence the beneficial economic interest





of the shareholders of the Demerged Company in the Resulting Company 1 and Resulting Company 2, both, and also the Demerged Company will remain identical after the demerger.

Upon the Scheme coming into effect on the Effective Date 1 (as defined in the draft scheme) and immediately after issuance of the equity shares of the Resulting Company 1 to the equity shareholders of the Demerged Company, 2,50,000 (Two Lakh Fifty Thousand) equity shares of the Resulting Company 1 having face value of Rs. 2 (Rupees Two only) each held by the Demerged Company comprising 100% (One Hundred per cent) of the total issued and paid-up equity share capital of the Resulting Company 1 as on the Effective Date 1 shall stand cancelled without any further act or deed on the part of the Resulting Company 1.

Upon the Scheme coming into effect on the Effective Date 2 (as defined in the draft scheme) and immediately after issuance of the equity shares of the Resulting Company 2 to the equity shareholders of the Demerged Company, 2,50,000 (Two Lakh Fifty Thousand) equity shares of the Resulting Company 2 having face value of Rs. 2 (Rupees Two only) each held by the Demerged Company comprising 100% (One Hundred per cent) of the total issued and paid-up equity share capital of the Resulting Company 2 as on the Effective Date 2 shall stand cancelled without any further act or deed on the part of the Resulting Company 2.

Consequently, the Resulting Company 1 and the Resulting Company 2 will have mirror shareholding and the shares of the Resulting Company 1 and the Resulting Company 2 would be listed on the BSE Limited ("BSE").

## SOURCES OF INFORMATION

For the purpose of this exercise, I have,

- Considered the audited financials of Amalgamating Company and the Amalgamated Company / Demerged Company as on March 31, 2022;
- Being newly incorporated companies, and no business operations, no financials of the Resulting Company 1 and Resulting Company 2 were available;
- Considered the draft Composite Scheme of Arrangement;
- Considered the existing shareholding pattern of the Amalgamating Company, Amalgamated Company / Demerged Company, Resulting Company 1 and Resulting Company 2;
- Relied on the representations of the management; and
- Carried out such other analysis, reviews and inquires as I considered necessary.

## SCOPE LIMITATIONS, EXCLUSIONS AND DISCLAIMERS

I have relied upon the information, data and explanations given to us by the Management of the Amalgamating Company, Amalgamated Company / Demerged Company, Resulting Company 1 and Resulting Company 2 for the purposes of concluding on the Share Entitlement ratio in connection with the proposed demerger. I have not carried out a due diligence or audit of Foreign Exchange Undertaking and Payment Systems Undertaking or the Amalgamated Company / Demerged Company or the Amalgamating Company nor have I independently investigated or otherwise verified the data provided. I do not express any form of assurance that the financial information or other information as provided by the Management is accurate.

Our conclusions assume that Amalgamating Company, Amalgamated Company / Demerged Company, Resulting Company 1 and Resulting Company 2 comply fully with the relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that Demerged Undertaking are being managed in a competent and reasonable manner. Further, except as specifically stated to the contrary, this report has given no consideration to matters of legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the financial statements.

This report for recommending share entitlement ratio is essentially based on the information provided by the management for which Amalgamating Company, Amalgamated Company / Demerged Company, Resulting Company 1 and Resulting Company 2 respectively accepts full responsibility. Our review and analysis have been limited to the above-mentioned procedures and our analysis is subject to this limitation. Our reliance and use of





this information provided by the Amalgamating Company, Amalgamated Company / Demerged Company, Resulting Company 1 and Resulting Company 2 or the management of respective companies should not be construed as expression of our opinion on it and I do not and will not accept any responsibility or liability for any inaccuracy in it.

The exercise of valuation is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single share entitlement ratio. While I have concluded on the share entitlement ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as on the same.

## SHARE ENTITLEMENT RATIO

As of the Report Date the issued and subscribed paid up capital of the Demerged Company consists of 3,17,82,744 Equity Shares of face value Rs. 2/- each.

I understand from the Management of the Demerged Company that the Resulting Company 1 is a wholly owned subsidiary of the Demerged Company and it proposes to engage in the business of foreign exchange dealing including interbank broking in foreign exchange, advisory and consultancy services being carried on by the Demerged Company and other related objects as per the Memorandum of Association of the Resulting Company 2. Being newly incorporated, the Resulting Company 1 has not commenced commercial operations.

I understand from the Management of the Demerged Company that the Resulting Company 2 is a wholly owned subsidiary of the Demerged Company and it proposes to engage in the business of issuance of pre-paid payment instruments and other related objects as per the Memorandum of Association of the Resulting Company 2. Being newly incorporated, the Resulting Company 2 has not commenced commercial operations.

As per the draft scheme provided to us and information provided by the Management of the Demerged Company, I understand that pursuant to the Scheme, 100% of the pre-scheme total issued and subscribed capital of the Resulting Company 1 and the Resulting Company 2, held by the Demerged Company and its nominees, shall stand cancelled, without any further act or deed on part of the Resulting Companies and the same shall be adjusted against the retained earnings of the Resulting Company 1 and the Resulting Company 2 in the manner provided for in the Composite Scheme of Arrangement. (Refer to the Clause 16 of Section II and the Clause 16 of Section III relating to the reorganization and reduction of the issued, subscribed and paid up equity share capital of the Resulting Company 1 and Resulting Company 2 respectively as per the Draft Scheme provided to us and provided in Annexure III and IV respectively to this Report).

### Section I of the Scheme

***Since the Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company, no equity shares are proposed to be issued by the Amalgamated Company upon amalgamation.***

Based on the representation received from the Management of the Company, I understand that in consideration of the demerger of Demerged Undertaking, the Resulting Company 1 and the Resulting Company 2 would issue its equity shares to the equity shareholders of the Demerged Company in the following manner so as to achieve a minimum required paid up capital of Rs. 3,00,00,000 for listing purpose on BSE Limited:

### Section II of the Scheme: For Resulting Company 1 (the "Share Entitlement Ratio 1")

***"For every 2 (two) equity shares of face value Rs. 2 (Rupees two only) each held in the Demerged Company as on the Record Date 1, the equity shareholders of the Demerged Company shall be issued 1 (one) equity share of face value Rs. 2 (Rupees two only) each as fully paid-up in the Resulting Company 1"***

### Section III of the Scheme: For Resulting Company 2 (the "Share Entitlement Ratio 2")





***“For every 2 (two) equity shares of face value Rs. 2 (Rupees two only) each held in the Demerged Company as on the Record Date 2, the equity shareholders of the Demerged Company shall be issued 1 (one) equity share of face value Rs. 2 (Rupees two only) each as fully paid-up in the Resulting Company 2”***

Share Entitlement Ratio 1 and Share Entitlement Ratio 2 are collectively referred to as Share Entitlement Ratio in this Report.

Treatment of fractional entitlement as per the draft scheme provided to us is reproduced below:

**(a) Resulting Company 1 (under Clause 14.4 of Section II of the Scheme)**

It is hereby clarified that no equity shares shall be issued by the Resulting Company 1 to any equity shareholder of the Demerged Company in respect of fractional entitlements, if any, as on the Record Date 1, of such equity shareholder, at the time of issue and allotment of such equity shares by the Resulting Company 1. The board of directors of the Resulting Company 1 shall instead consolidate all such fractional entitlements, (ignoring any fraction remaining after such consolidation), and thereupon shall issue and allot equity shares in lieu thereof to a trustee as the board of directors of the Resulting Company 1 shall appoint in this behalf (“**Trustee - Resulting Company 1**”) who shall hold such equity shares in trust for all such equity shareholders of the Demerged Company who are entitled to such fractional balances, with the express understanding that such Trustee - Resulting Company 1 shall, in accordance with the Applicable Laws, sell the shares of the Resulting Company 1 so allotted on the Stock Exchange and to such persons, as the Trustee - Resulting Company 1 deems fit in compliance with the SEBI Circular and shall distribute the net sale proceeds, subject to deduction of tax and other expenses incurred in connection with the sale to the relevant equity shareholders of the Resulting Company 1 in proportion to their respective fractional entitlements.

**(b) Resulting Company 2 (under Clause 14.4 of Section III of the Scheme)**

It is hereby clarified that no equity shares shall be issued by the Resulting Company 2 to any equity shareholder of the Demerged Company in respect of fractional entitlements, if any, as on the Record Date 2, of such equity shareholder, at the time of issue and allotment of such equity shares by the Resulting Company 2. The board of directors of the Resulting Company 2 shall instead consolidate all such fractional entitlements, (ignoring any fraction remaining after such consolidation), and thereupon shall issue and allot equity shares in lieu thereof to a trustee as the board of directors of the Resulting Company 2 shall appoint in this behalf (“**Trustee - Resulting Company 2**”) who shall hold such equity shares in trust for all such equity shareholders of the Demerged Company who are entitled to such fractional balances, with the express understanding that such Trustee - Resulting Company 2 shall, in accordance with the Applicable Laws, sell the shares of the Resulting Company 2 so allotted on the Stock Exchange and to such persons, as the Trustee - Resulting Company 2 deems fit in compliance with the SEBI Circular and shall distribute the net sale proceeds, subject to deduction of tax and other expenses incurred in connection with the sale to the relevant equity shareholders of the Resulting Company 2 in proportion to their respective fractional entitlements.

Based on the aforementioned and that upon demerger, the set of shareholders and holding proportion being proposed for the Resulting Company 1 and Resulting Company 2, both, is identical to that of the Demerged Company. Hence the beneficial economic interest of the shareholders of the Demerged Company in the Resulting Company 1 and Resulting Company 2, both, and also the Demerged Company will remain identical after the demerger.

***I believe that the abovementioned share entitlement ratio is fair and reasonable considering that all the shareholders of the Demerged Company are and will, upon demerger, be the ultimate beneficial owners of the Resulting Company 1 and the Resulting Company 2 and in the same ratio as they hold shares in the Demerged Company, as on record dates to be decided by the management of the Demerged Company.***

Our report and Share Entitlement Ratio are based on the current equity share capital structure of the companies, proposed cancellation of existing share capital of the Resulting Company 1 and the Resulting Company 2 held by





the Demerged Company and its nominees in the manner as envisaged in the draft Scheme. Any other variation in the equity capital structure of the companies forming part of the Scheme, apart from the above mentioned prior to the Scheme of Arrangement becomes effective, may have an impact on share entitlement ratio.

I also reproduce the table as prescribed by BSE for the purposes of issuance of this report in pursuance of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as amended from time to time:

**Computation of Fair Share Entitlement Ratio (To be read along with the note below)**

**(a) Amalgamation of Amalgamating Company into Amalgamated Company**

Valuation Approach	Transcorp International Limited		Transcorp Estates Private Limited	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
<b>Relative Value per Share</b>	NA		NA	

**(b) Demerged of Foreign Exchange Undertaking of Demerged Company into Resulting Company 1**

Valuation Approach	Transcorp International Limited		Transwire Forex Limited	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
<b>Relative Value per Share</b>	NA		NA	

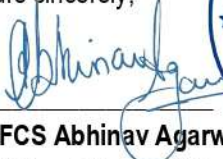
**(c) Demerged of Payment Systems Undertaking of Demerged Company into Resulting Company 2**

Valuation Approach	Transcorp International Limited		Transcorp Payments Limited	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
<b>Relative Value per Share</b>	NA		NA	

Note: Consequent to this Composite Scheme of Arrangement, the economic beneficial interest of the shareholders of the Demerged Company shall remain the same in the Demerged Company, Resulting Company 1 and Resulting Company 2. Also, post scheme, the shareholding pattern of the shareholders of the Demerged Company in the Resulting Company 1 and Resulting Company 2 and also the Demerged Company would be identical / mirror shareholding as compared to their shareholding in the Demerged Company as on the respective record date decided for allotment of shares by the Resulting Company 1 and Resulting Company 2 as envisaged in the Scheme. Hence, this is a value neutral demerger. Therefore, valuation as per the above methods is not required to be undertaken.

Thanking you,

Yours sincerely,

  
**RV FCS Abhinav Agarwal**  
**Registered Valuer & Corporate Law Advisor**  
**IBBI Reg. No. IBBI/RV/06/2019/12564**  
**ICAI RVO membership no. ICAIRVO/06/RV-P00292/2019-2020**  
**Date: June 24, 2022**  
**Place: New Delhi**





**“Foreign Exchange Undertaking”** means and includes all activities, business operations of such undertaking, properties, assets and liabilities of whatsoever nature and kind and wheresoever situated, of and relating to the business of dealings in permissible money changing transactions viz. selling and purchasing of all types of foreign currencies and outward remittance activities such as remittance for overseas education, medical treatment abroad, Emigration and Emigration consultancy fees and for other purposes and all other commercial activities as permitted by the Reserve Bank of India under Authorised Dealer Category II registration, including as detailed below:

- (i) The business relating to “Foreign Exchange Undertaking” of the Demerged Company and other ancillary business connected therewith, on a going concern basis.
- (ii) All Assets and property, wherever situated, including in possession of third parties, whether movable or immovable, leasehold or freehold, tangible or intangible including but not limited to any and all rights, title and interest in connection with any land (together with the buildings and structures standing thereon), capital work-in-progress, plant and machinery, leasehold improvements, vehicles, furniture, fixture, office equipment, computer installations, software and related data, electrical appliance, accessories, investments; including investments in mutual funds made out of the surplus generated from the operations of “Foreign Exchange Undertaking”, stocks, stock in transit, debtors, intellectual properties, technical knowhow, patents, copy rights, licenses, approvals pertaining to or relating to the operations of “Foreign Exchange Undertaking” of the Demerged Company.
- (iii) All debts and Liabilities, secured and unsecured, exclusively relating to the operations of “Foreign Exchange Undertaking”, as per the records of the Demerged Company, including borrowings, contractual liabilities, guarantees, provisions and security deposits.
- (iv) For the purpose of this Scheme, it is clarified that liabilities pertaining to the operations of “Foreign Exchange Undertaking” include:
  - a) The liabilities which arise out of the activities of the “Foreign Exchange Undertaking”; and
  - b) Specific loans and / or borrowing raised, incurred and / or utilised solely for the activities of the “Foreign Exchange Undertaking”.
- (v) All employees of the Demerged Company substantially engaged in the operations of the “Foreign Exchange Undertaking” and those employees that are determined by the Board of Directors of the Demerged Company to be substantially engaged in or in relation to the Foreign Exchange Undertaking on the date immediately preceding the Effective Date 1.
- (vi) All rights and licenses, membership, all assignments and grants thereof, all permits, registrations, quota, rights (including rights under any agreement, contracts, applications, letter of intent, or any other contract), subsidies, grants, tax credits, incentives or scheme of central / state governments, quality certifications and approval, product registrations (both Indian or foreign), regulatory approvals, entitlements, industrial and other licenses, municipal permissions, goodwill, approvals, consents, tenancies, if any, in relation to the office and / or residential properties for the employees, investments and / or interest (whether vested, contingent or otherwise) in projects undertaken by the Foreign Exchange Undertaking either solely or jointly with other parties, cash balances, bank balances, bank account, deposits, advances, recoverable receivables, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued on behalf of Demerged Company in relation to the operations of the “Foreign Exchange Undertaking”, funds belonging to or proposed to be utilised for the operations of the “Foreign Exchange Undertaking”, privileges all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company in relation to the operations of the “Foreign Exchange Undertaking” or any power of attorney issued in favour of the Demerged Company or from or by virtue of any proceedings before a legal quasi-judicial authority or any other statutory authority to which the Demerged Company was a party, powers and facilities of every kind, nature and description whatsoever, rights to use and avail telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the operations of the “Foreign Exchange Undertaking”;
- (vii) All books, records, files, papers, computer programs along with their licenses, manuals and back-up, copies, drawing, other manuals, data catalogue, quotations, sales and advertising materials, lists of





- present and former customers and suppliers, customer credit information, customers pricing information, and other records whether in physical or electronic form, directly or indirectly in connection with or relating to the operations of the "Foreign Exchange Undertaking";
- (viii) All advances, deposits and balance with Government, semi-Government, Local and other authorities and bodies, customers and other person, earnest money and / or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the operations of the "Foreign Exchange Undertaking";

In case of any question that may arise as to whether any particular asset (including common assets viz. cash / bank balances) or liability and / or employees or any other matter pertains or does not pertain to the operations of the "Foreign Exchange Undertaking" of the Demerged Company, the same shall be decided mutually by the Board of Directors of the Demerged Company and the Resulting Company 1 and the said decision shall be final;

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**“Payment Systems Undertaking”** means and includes all activities, business operations of such undertaking, properties, assets and liabilities of whatsoever nature and kind and wheresoever situated, of and relating to the business of dealings in issuing and operating payment system for pre-paid payment instruments in India as permitted by the Reserve Bank of India, including as detailed below:

- (i) The business relating to “Payment Systems Undertaking” of the Demerged Company and other ancillary business connected therewith, on a going concern basis.
- (ii) All Assets and property, wherever situated, including in possession of third parties, whether movable or immovable, leasehold or freehold, tangible or intangible including but not limited to any and all rights, title and interest in connection with any land (together with the buildings and structures standing thereon), capital work-in-progress, plant and machinery, leasehold improvements, vehicles, furniture, fixture, office equipment, computer installations, software and related data, electrical appliance, accessories, investments; including investments in mutual funds made out of the surplus generated from the operations of “Payment Systems Undertaking”, stocks, stock in transit, debtors, intellectual properties, technical knowhow, patents, copy rights, licenses, approvals pertaining to or relatable to the operations of “Payment Systems Undertaking” of the Demerged Company.
- (iii) All debts and Liabilities, secured and unsecured, exclusively relating to the operations of “Payment Systems Undertaking”, as per the records of the Demerged Company, including borrowings, contractual liabilities, guarantees, provisions and security deposits.
- (iv) For the purpose of this Scheme, it is clarified that liabilities pertaining to the operations of “Payment Systems Undertaking” include:
  - a) The liabilities which arise out of the activities of the “Payment Systems Undertaking”; and
  - b) Specific loans and / or borrowing raised, incurred and / or utilised solely for the activities of the “Payment Systems Undertaking”.
- (v) All employees of the Demerged Company substantially engaged in the operations of the “Payment Systems Undertaking” and those employees that are determined by the Board of Directors of the Demerged Company to be substantially engaged in or in relation to the Payment Systems Undertaking on the date immediately preceding the Effective Date 2.
- (vi) All rights and licenses, membership, all assignments and grants thereof, all permits, registrations, quota, rights (including rights under any agreement, contracts, applications, letter of intent, or any other contract), subsidies, grants, tax credits, incentives or scheme of central / state governments, quality certifications and approval, product registrations (both Indian or foreign), regulatory approvals, entitlements, industrial and other licenses, municipal permissions, goodwill, approvals, consents, tenancies, if any, in relation to the office and / or residential properties for the employees, investments and / or interest (whether vested, contingent or otherwise) in projects undertaken by the Payment Systems Undertaking either solely or jointly with other parties, cash balances, bank balances, bank account, deposits, advances, recoverable receivables, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued on behalf of Demerged Company in relation to the operations of the “Payment Systems Undertaking”, funds belonging to or proposed to be utilised for the operations of the “Payment Systems Undertaking”, privileges all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company in relation to the operations of the “Payment Systems Undertaking” or any power of attorney issued in favour of the Demerged Company or from or by virtue of any proceedings before a legal quasi-judicial authority or any other statutory authority to which the Demerged Company was a party, powers and facilities of every kind, nature and description whatsoever, rights to use and avail telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the operations of the “Payment Systems Undertaking”;
- (vii) All books, records, files, papers, computer programs along with their licenses, manuals and back-up, copies, drawing, other manuals, data catalogue, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customers pricing information,





- and other records whether in physical or electronic form, directly or indirectly in connection with or relating to the operations of the "Payment Systems Undertaking";
- (viii) All advances, deposits and balance with Government, semi-Government, Local and other authorities and bodies, customers and other person, earnest money and / or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the operations of the "Payment Systems Undertaking";
- (ix) In case of any question that may arise as to whether any particular asset (including common assets viz. cash / bank balances) or liability and / or employees or any other matter pertains or does not pertain to the operations of the "Payment Systems Undertaking" of the Demerged Company, the same shall be decided mutually by the Board of Directors of the Demerged Company and the Resulting Company 2 and the said decision shall be final;

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**CLAUSE 16: REORGANISATION AND REDUCTION OF THE ISSUED, SUBSCRIBED AND PAID UP EQUITY SHARE CAPITAL OF THE RESULTING COMPANY 1**

- 16.1 Upon the Scheme coming into effect on the Effective Date 1, the difference between the amount of assets, liabilities and accumulated accounting losses (if any), pertaining to the Foreign Exchange Undertaking being transferred by the Demerged Company pursuant to the Scheme, and the amount of investment held by the Demerged Company in the Resulting Company 1, shall be adjusted against the profit and loss account of the Demerged Company and to the extent of such adjustment, the profit and loss account of the Demerged Company shall stand reduced without any further act or deed on the part of the Demerged Company. The reduction in the profit and loss account of the Demerged Company shall be effected as an integral part of the Section II of this Scheme in accordance with the provisions of Section 66 of the Act and / or any other applicable provisions of the Act without any further act or deed on the part of the Demerged Company and without any approval or acknowledgement of any third party. The Order of the Hon'ble NCLT sanctioning the Scheme shall be deemed to also be the order passed by the Hon'ble NCLT under Sections 66 of the Act for the purpose of confirming such the reduction in the profit and loss account of the Demerged Company. It is hereby clarified that the provisions of Section 66 of the Act would not be applicable to the reduction in the profit and loss account of the Demerged Company. The aforesaid reduction in the profit and loss account of the Demerged Company would not involve either a diminution of liability in respect of the unpaid share capital or payment of paid-up share capital and the provisions of Section 66(1)(a) of the Act shall not be applicable. Notwithstanding the reduction in the profit and loss account of the Demerged Company, the Demerged Company shall not be required to add "And Reduced" as suffix to its name.
- 16.2 It is expressly clarified that for the purposes of Clause 16.1 of the Section II of this Scheme, the consent of the shareholders of the Demerged Company to the Scheme and the consent of the secured and unsecured creditors of the Demerged Company to the Scheme shall be deemed to be sufficient for the purposes of effecting the reduction in the profit and loss account of the Demerged Company and no further resolution and/or action under Section 66(1)(a) of the Act and/ or any other applicable provisions of the Act and rules and regulations framed thereunder would be required to be separately passed or taken.
- 16.3 The reduction of the profit and loss account of the Demerged Company shall become effective as set out in Clause 16.2 of the Section II of this Scheme and shall be conditional upon the Scheme becoming effective on the Effective Date 1 and with effect from the Appointed Date 1. If this Scheme is, for any reason whatsoever, not sanctioned by the Hon'ble NCLT, such reorganization resulting in reduction in the profit and loss account of the Demerged Company, as set out in this Clause 16 of the Section II of this Scheme shall not become effective and shall be deemed to be redundant.
- 16.4 Upon the Scheme coming into effect on the Effective Date 1 and immediately after issuance of the equity shares of the Resulting Company 1 to the equity shareholders of the Demerged Company, 2,50,000 (Two Lakh Fifty Thousand) equity shares of the Resulting Company 1 having face value of Rs. 2 (Rupees Two only) each held by the Demerged Company comprising 100% (One Hundred per cent) of the total issued and paid-up equity share capital of the Resulting Company 1 as on the Effective Date 1 shall stand cancelled without any further act or deed on the part of the Resulting Company 1. The reduction in the issued and paid-up equity share capital of the Resulting Company 1 shall be effected as an integral part of the Section II of this Scheme in accordance with the provisions of Section 66 of the Act and / or any other applicable provisions of the Act without any further act or deed on the part of the Resulting Company 1 and without any approval or acknowledgement of any third party. The order of the Hon'ble NCLT sanctioning the Scheme shall be deemed to also be the order passed by the Hon'ble NCLT under Section 66 of the Act for the purpose of confirming such reduction. The aforesaid reduction would not involve





either a diminution of liability in respect of the unpaid share capital or payment of paid-up share capital and the provisions of Section 66(1)(a) of the Act shall not be applicable. Notwithstanding the reduction in the issued and paid-up equity share capital of the Resulting Company 1, the Resulting Company 1 shall not be required to add "And Reduced" as suffix to its name.

- 16.5 It is expressly clarified that for the purposes of the Clause 16.4 of the Section II of this Scheme, the consent of the shareholders and the secured and unsecured creditors of the Resulting Company 1 to the Scheme shall be deemed to be sufficient for the purposes of effecting the above reorganization in the issued and paid-up equity share capital of the Resulting Company 1 for reduction in the equity share capital of the Resulting Company 1, and no further resolution and / or action under Section 66 of the Act and / or any other applicable provisions of the Act would be required to be separately passed or taken.
- 16.6 The reduction of the issued and paid-up equity share capital of the Resulting Company 1 as contemplated in this Clause 16.4 shall become effective, in accordance with the provisions of Section 66(1)(a) of the Act and / or any other applicable provisions of the Act and rules and regulations framed thereunder, pursuant to the filing of the order of the Court sanctioning the aforesaid capital reduction by the Resulting Company 1 with the RoC and upon registration by the RoC of such order of the Court and of the minutes approved by the Court, if any, showing, with respect to the issued and paid-up equity share capital of the Resulting Company 1 as altered by the order, including (a) the amount of issued and paid-up equity share capital; (b) the number of shares into which it is to be divided; (c) the amount of each share; and (d) the amount, if any, deemed to be paid-up on each share at the date of registration of the aforesaid minutes and order by the RoC. Such reduction in the issued and paid-up equity share capital of the Resulting Company 1 as contemplated in Clause 16.4 of the Section II of this Scheme shall be conditional upon this Scheme becoming effective on the Effective Date 1. If this Scheme is, for any reason whatsoever, not sanctioned by the NCLT, such reduction of issued and paid-up equity share capital as set out in the Clause 16.4 of the Section II of this Scheme shall not become effective and shall be deemed to be redundant.

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**CLAUSE 16: REORGANISATION AND REDUCTION OF THE ISSUED, SUBSCRIBED AND PAID UP EQUITY SHARE CAPITAL OF THE RESULTING COMPANY 2**

- 16.1 Upon the Scheme coming into effect on the Effective Date 2, the difference between the amount of assets, liabilities and accumulated accounting losses (if any), pertaining to the Payment Systems Undertaking being transferred by the Demerged Company pursuant to the Scheme, and the amount of investment held by the Demerged Company in the Resulting Company 2, shall be adjusted against the profit and loss account of the Demerged Company and to the extent of such adjustment, the profit and loss account of the Demerged Company shall stand reduced without any further act or deed on the part of the Demerged Company. The reduction in the profit and loss account of the Demerged Company shall be effected as an integral part of the Section III of this Scheme in accordance with the provisions of Section 66 of the Act and / or any other applicable provisions of the Act without any further act or deed on the part of the Demerged Company and without any approval or acknowledgement of any third party. The Order of the Hon'ble NCLT sanctioning the Scheme shall be deemed to also be the order passed by the Hon'ble NCLT under Sections 66 of the Act for the purpose of confirming such the reduction in the profit and loss account of the Demerged Company. It is hereby clarified that the provisions of Section 66 of the Act would not be applicable to the reduction in the profit and loss account of the Demerged Company. The aforesaid reduction in the profit and loss account of the Demerged Company would not involve either a diminution of liability in respect of the unpaid share capital or payment of paid-up share capital and the provisions of Section 66(1)(a) of the Act shall not be applicable. Notwithstanding the reduction in the profit and loss account of the Demerged Company, the Demerged Company shall not be required to add "And Reduced" as suffix to its name.
- 16.2 It is expressly clarified that for the purposes of Clause 16.1 of the Section III of this Scheme, the consent of the shareholders of the Demerged Company to the Scheme and the consent of the secured and unsecured creditors of the Demerged Company to the Scheme shall be deemed to be sufficient for the purposes of effecting the reduction in the profit and loss account of the Demerged Company and no further resolution and/or action under Section 66(1)(a) of the Act and/ or any other applicable provisions of the Act and rules and regulations framed thereunder would be required to be separately passed or taken.
- 16.3 The reduction of the profit and loss account of the Demerged Company shall become effective as set out in Clause 16.2 of the Section III of this Scheme and shall be conditional upon the Scheme becoming effective on the Effective Date 2 and with effect from the Appointed Date 2. If this Scheme is, for any reason whatsoever, not sanctioned by the Hon'ble NCLT, such reorganization resulting in reduction in the profit and loss account of the Demerged Company, as set out in this Clause 16.1 of the Section III of this Scheme shall not become effective and shall be deemed to be redundant.
- 16.4 Upon the Scheme coming into effect on the Effective Date 2 and immediately after issuance of the equity shares of the Resulting Company 2 to the equity shareholders of the Demerged Company, 2,50,000 (Two Lakh Fifty Thousand) equity shares of the Resulting Company 2 having face value of Rs. 2 (Rupees Two only) each held by the Demerged Company comprising 100% (One Hundred per cent) of the total issued and paid-up equity share capital of the Resulting Company 2 as on the Effective Date 2 shall stand cancelled without any further act or deed on the part of the Resulting Company 2. The reduction in the issued and paid-up equity share capital of the Resulting Company 2 shall be effected as an integral part of the Section III of this Scheme in accordance with the provisions of Section 66 of the Act and / or any other applicable provisions of the Act without any further act or deed on the part of the Resulting Company 2 and without any approval or acknowledgement of any third party. The order of the Hon'ble NCLT sanctioning the Scheme shall be deemed to also be the order passed by the Hon'ble NCLT under Section 66 of the Act for the purpose of confirming such reduction. The aforesaid reduction would not involve either a diminution of liability in respect of the unpaid share capital or payment of paid-up share capital and the provisions of Section 66(1)(a) of the Act shall not be applicable. Notwithstanding the reduction in



the issued and paid-up equity share capital of the Resulting Company 2, the Resulting Company 2 shall not be required to add "And Reduced" as suffix to its name.

- 16.5 It is expressly clarified that for the purposes of the Clause 16.4 of the Section III of this Scheme, the consent of the shareholders and the secured and unsecured creditors of the Resulting Company 2 to the Section III of this Scheme shall be deemed to be sufficient for the purposes of effecting the above reorganization in the issued and paid-up equity share capital of the Resulting Company 2 for reduction in the equity share capital of the Resulting Company, and no further resolution and / or action under Section 66 of the Act and / or any other applicable provisions of the Act would be required to be separately passed or taken.
- 16.6 The reduction of the issued and paid-up equity share capital of the Resulting Company 2 as contemplated in this Clause 16.4 of the Section III of this Scheme shall become effective, in accordance with the provisions of Section 66(1)(a) of the Act and / or any other applicable provisions of the Act and rules and regulations framed thereunder, pursuant to the filing of the order of the Court sanctioning the aforesaid capital reduction by the Resulting Company 2 with the RoC and upon registration by the RoC of such order of the Court and of the minutes approved by the Court, if any, showing, with respect to the issued and paid-up equity share capital of the Resulting Company 2 as altered by the order, including (a) the amount of issued and paid-up equity share capital; (b) the number of shares into which it is to be divided; (c) the amount of each share; and (d) the amount, if any, deemed to be paid-up on each share at the date of registration of the aforesaid minutes and order by the RoC. Such reduction in the issued and paid-up equity share capital of the Resulting Company 2 as contemplated in Clause 16.4 of the Section III of this Scheme shall be conditional upon this Scheme becoming effective on the Effective Date 2. If this Scheme is, for any reason whatsoever, not sanctioned by the NCLT, such reduction of issued and paid-up equity share capital as set out in the Clause 16.4 of the Section III of this Scheme shall not become effective and shall be deemed to be redundant.

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