

30th March, 2022

To,

BSE Limited
Sir Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400001
Security code: 532163

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C-1, Block G
Bandra Kurla Complex, Bandra (E) Mumbai- 400051
Scrip code: SAREGAMA

Dear Sir/ Madam,

SUB: Intimation of the outcome of the meeting of the Board of Directors of Saregama India Limited (“Company” or “Demerged Company”) held on 30th March, 2022 and disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (“Listing Regulations”)

REF: Scheme of Arrangement between the Company and Digidrive Distributors Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Act”) (“Scheme”)

In compliance with Regulation 30 read with Schedule III of the Listing Regulations, we wish to inform that the Board of Directors of the Company (“**the Board**”) at its meeting held today, i.e. 30th March, 2022, has considered and approved the Scheme of Arrangement between the Company and Digidrive Distributors Limited (“**Resulting Company**”) and their respective shareholders and creditors, which *inter alia* provides for the demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Company into the Resulting Company, on a going concern basis, and in consideration thereof, the Resulting Company shall issue its equity shares to the equity shareholders of the Company in the proportion as referred to in the Annexure I hereto.

The Scheme is, *inter alia*, subject to receipt of approvals from the statutory, regulatory and customary approvals, including approvals from the BSE Limited, National Stock Exchange of India Limited (collectively referred to as “**Stock Exchanges**”), jurisdictional National Company Law Tribunal and the shareholders and creditors (as applicable) of the companies involved in the Scheme.

The Scheme as approved by the Board would be available on the website of the Company at <https://www.saregama.com/> post submitting the same to the Stock Exchanges.

In terms of the Listing Regulations read with SEBI Circular No CIR/CFD/CMD/4/2015 dated September 9, 2015, we are furnishing herewith the details of the Scheme as **Annexure I**.

Thanking you,

For and on behalf of **Saregama India Limited**

Vikram Mehra
Managing Director
DIN : 03556680
Encl.: As above.

SAREGAMA India Limited, 33, Jessore Road, Dum Dum, Kolkata - 700 028, India.
Tel: +91 33 2551 2984, **Fax:** +91 33 2550 0817, **Web:** www.saregama.com
CIN: L22213WB1946PLC014346 **Email ID:** co.sec@saregama.com

Annexure I – Brief details of Demerger

S No	Particulars	Details
1.	Brief details of the division to be demerged	Entire distribution business of the Company relating to sale of all its physical products including carvaan on digital marketplaces alongwith identified non-core assets (including investment(s) in publication business) and other activities and/ or arrangements incidental or relating thereto (“ E-Commerce Distribution Business ”)
2.	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year	<p>The turnover of the demerged division i.e. E-Commerce Distribution Business of the Company for the financial year ended 31st March, 2021 was INR 1742.64 Lakhs.</p> <p>The turnover of the E-Commerce Distribution Business was 3.78% to the total turnover of the Company in the financial year ended 31st March, 2021.</p>
3.	Rationale for demerger	<p>The Demerged Company sells all its physical products including carvaan, directly and through distributors, appointed exclusively for selling on digital media medium. Online marketplace has considerable potential, and skills acquired by the Demerged Company in the recent past can be utilized to manage end-to-end distribution activity, and with a potential to add many more products. This will also benefit the Demerged Company’s business, as the negotiation strength generated by the distributors by selling a suite of products will help accelerate carvaan sales too.</p> <p>Therefore, the Demerged Company intends to create a specialized master distributor for retailing all its physical products including carvaan on all digital marketplaces. Such distributor may also offer its sales & marketing services to other market participant. Accordingly, the Demerged Company intends to demerge its E-Commerce Distribution Business into the Resulting Company which, <i>inter alia</i>, will result in the following benefits:</p> <p>(i) unlocking the value of each of the business for the shareholders of the Demerged Company, attracting investors and providing better flexibility in accessing capital;</p>

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		<p>(ii) segregating different businesses having different risk profiles and returns, and providing investors with better flexibility to select investments which best suit their investment strategies and risk profile; and</p> <p>(iii) enabling focused growth strategy for each of the businesses for exploiting opportunities specific to each business.</p> <p>The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Parties.</p>																														
4.	Brief details of change in shareholding pattern (if any) of all entities	<p>(i) Saregama India Limited (“Company” or “Demerged Company”)</p> <p>There will be no change in the shareholding pattern of the Company, pursuant to the Scheme</p> <p>(ii) Digidrive Distributors Limited (“Resulting Company”)</p> <table border="1" data-bbox="789 1052 1572 1629"> <thead> <tr> <th data-bbox="789 1052 976 1119">Particulars</th> <th colspan="2" data-bbox="976 1052 1281 1119">Pre-Scheme</th> <th colspan="2" data-bbox="1281 1052 1572 1119">Post-Scheme</th> </tr> <tr> <th data-bbox="789 1119 976 1272">As on 25th March, 2022</th> <th data-bbox="976 1119 1130 1272">No of equity shares</th> <th data-bbox="1130 1119 1281 1272">%</th> <th data-bbox="1281 1119 1459 1272">No of equity shares</th> <th data-bbox="1459 1119 1572 1272">%</th> </tr> </thead> <tbody> <tr> <td data-bbox="789 1272 976 1339">Promoters</td> <td data-bbox="976 1272 1130 1339">1,00,000</td> <td data-bbox="1130 1272 1281 1339">100.00</td> <td data-bbox="1281 1272 1459 1339">2,22,29,958</td> <td data-bbox="1459 1272 1572 1339">57.65</td> </tr> <tr> <td data-bbox="789 1339 976 1407">Public</td> <td data-bbox="976 1339 1130 1407">-</td> <td data-bbox="1130 1339 1281 1407">-</td> <td data-bbox="1281 1339 1459 1407">1,62,91,940</td> <td data-bbox="1459 1339 1572 1407">42.25</td> </tr> <tr> <td data-bbox="789 1407 976 1560">Non Promoter- Non Public</td> <td data-bbox="976 1407 1130 1560">-</td> <td data-bbox="1130 1407 1281 1560">-</td> <td data-bbox="1281 1407 1459 1560">40,000</td> <td data-bbox="1459 1407 1572 1560">0.10</td> </tr> <tr> <td data-bbox="789 1560 976 1629">Total</td> <td data-bbox="976 1560 1130 1629">1,00,000</td> <td data-bbox="1130 1560 1281 1629">100.00</td> <td data-bbox="1281 1560 1459 1629">3,85,61,898</td> <td data-bbox="1459 1560 1572 1629">100.00</td> </tr> </tbody> </table>	Particulars	Pre-Scheme		Post-Scheme		As on 25 th March, 2022	No of equity shares	%	No of equity shares	%	Promoters	1,00,000	100.00	2,22,29,958	57.65	Public	-	-	1,62,91,940	42.25	Non Promoter- Non Public	-	-	40,000	0.10	Total	1,00,000	100.00	3,85,61,898	100.00
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5.	In case of cash consideration – amount or otherwise share exchange ratio	<p>No cash consideration is payable under the proposed Scheme. For the demerger, transfer and vesting of the Demerged Undertaking of the Company into the Resulting Company on a going concern basis, the Resulting Company shall issue and allot on a proportionate basis to each shareholder of the Company whose name is recorded in the register of members and records of the depository as members of the Company as on the Record Date (<i>as defined in the Scheme</i>), as under:</p> <p><i>“2 (Two) fully paid up equity shares of INR 10/- (Indian Rupees Ten only) each of the Resulting Company, credited as fully paid up, for every 1 (One) equity share of INR 10/- (Indian Rupees Ten only) each of the Demerged Company.”</i></p> <p>Further, the Company is currently in process of seeking its shareholders approval for sub-division (split) of 1 (One) equity share of the Company having a face value of INR 10/- each (fully paid-up) to be sub-divided into 10 (Ten) equity shares of face value of INR 1/- each (fully paid-up). In case the same is approved by the shareholders of the Company, the share entitlement ratio for the proposed Scheme would be as follows:</p> <p><i>“1 (One) fully paid up equity share of INR 10/- (Indian Rupees Ten only) each of the Resulting Company, credited as fully paid up, for every 5 (Five) equity share of INR 1/- (Indian Rupees One only) each of the Demerged Company.”</i></p> <p>The abovementioned share entitlement ratio has been arrived based on share entitlement ratio report of RBSA Valuation Advisors LLP, Registered Valuer. Further, a fairness opinion report on the share entitlement ratio is provided by VC Corporates Advisors Private Limited, Independent SEBI Registered Category-1 Merchant Banker.</p>
6.	Whether listing would be sought for the resulting entity	Yes. The equity shares to be issued by the Resulting Company shall be listed on the BSE Limited and the National Stock Exchange of India Limited.