



**REPORT OF THE AUDIT COMMITTEE MEETING OF ZUARI GLOBAL LIMITED ("THE COMPANY") HELD THROUGH VIDEO CONFERENCE ON JULY 17, 2020 AT 4.30 PM AT GLOBAL BUSINESS PARK, TOWER 'A', 5TH FLOOR, M.G. ROAD, GURUGRAM - 122 002, HARYANA**

**Present Members**

Mr. Marco Wadie	-	Chairman
Mr. R S Raghavan	-	Member
Mr. Dipankar Chatterji	-	Member
Mr. Vijay V. Pirandage	-	Member

**In attendance**

Mr. Laxman Aggarwal, Company Secretary

**Invitees**

Mr. Vijay Kathuria, Chief Financial Officer

Mr. Nishant Dolel, D.G.M. - Corporate Finance

Ms. Suvira Agarwal, representing Restructuring Advisors

Mr. Sunil Khandelwal, representing, Sunit & Co., Chartered Accountants

Mr. Punit Khandelwal, representing, Impact Advisory Private Limited, Registered Valuer

Mr. Anup Sharma, representing SKP Securities Limited, Merchant Bankers

**1. Background**

In furtherance to the Board Meeting held on 14<sup>th</sup> August 2019, wherein the Board provided its principal approval for evaluation of a proposed re-structuring exercise involving the Company, a Draft Scheme of Amalgamation between Zuari Global Limited ("ZGL") and Gobind Sugar Mills Limited ("GSMIL") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactments thereof for the time being in force ("the Scheme") was placed before the Audit Committee for recommendation of the Scheme, by the Audit Committee to the Board of Directors of the Company in accordance with the requirement of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 read with SEBI Circular No. CFD/DIL3/CIR/2017/26 dated 23rd March 2017 and CFD/DIL3/CIR/2018/2 dated 3rd January 2018 (hereinafter collectively referred to as "SEBI Circulars"), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

*M. D. A. M.*



**ZUARI GLOBAL LIMITED**

CIN No.: L65921GA1967PLC000157

Global Business Park, Tower - A, 5th Floor, M. G. Road, Sector 26, Gurgaon - 122 002, Haryana India.

Tel: +91 124 482 7800 Fax: +91 124 421 2048

www.adventz.com

Registered Office: JaiKasan Bhawan, Zuarinagar, Gurgaon - 403726

For ZUARI GLOBAL LIMITED Certified True Copy

Authorised Signatories



This report of the Audit Committee is made in order to comply with the requirements of the SEBI Circulars after considering the following documents:

- A. Draft Scheme of Amalgamation;
- B. Valuation Report dated July 17, 2020 from Sunil & Co., Chartered Accountants and Valuation Report dated July 17, 2020 from Incovert Advisory Private Limited, Registered Valuer;
- C. Fairness Opinion dated July 17, 2020 received from SLP Securities Limited, SEBI registered Merchant Banker on the valuation done by the Valuer;
- D. Draft Certificate from the Statutory Auditor of the Company, M/s. Walker Chandick & Co LLP, Chartered Accountants, regarding compliance of the Accounting treatment.

2. Proposed Scheme of Amalgamation

- A. The Audit Committee noted the Scheme of Amalgamation between ZGL and GSML and their respective shareholders and creditors.
- B. The salient features of the Scheme are as under:
  - The Scheme provides for the merger of GSML with ZGL
  - The Appointed Date of the Scheme is April 1, 2020
  - The consideration for the Scheme will be as follows:

For equity shareholders:

- a. 100 (One Hundred) equity shares of ZGL of face value of INR 10 (Rupees Ten) each for every 285 (Two Hundred and Eighty Five) equity shares of GSML of face value of INR 10 (Rupees Ten) each; or
- b. 10,000 (Ten Thousand) 10.5% Non-Convertible Redeemable Preference Shares of ZGL of face value of INR 10 (Rupees Ten) each for every 1,006 (One Thousand and Six) equity shares of GSML of face value of INR 10 (Rupees Ten) each.

The equity shareholders of GSML shall have the option to take either equity shares or 10.5% Non-Convertible Redeemable Preference Shares in ZGL. ZGL shall send to the equity shareholders of GSML an appropriate intimation and option form requiring them to exercise their option.

In case no written response to the option, provided by ZGL, is received from the equity shareholders of GSML, such equity shareholders shall be issued 10.5% Non-Convertible Redeemable Preference Shares in ZGL on the basis of the above mentioned swap ratio.

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**ZUARI GLOBAL LIMITED**

CIN No: L68921GAE197PLC000917

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For ZUARI GLOBAL LIMITED  
Authorised Signatories Certified True Copy



The equity shares issued by ZGL pursuant to the Scheme would be listed on the Bombay Stock Exchange ("BSE") and the National Stock Exchange ("NSE").

For preference shareholders:

1 (One) 7% Non-Convertible Redeemable Preference Share of ZGL of face value of INR 10 (Rupees Ten) each for every 1 (One) 7% Non-Convertible Redeemable Preference Share of GSML of face value of INR 10 (Rupees Ten) each.

3. The Audit Committee further noted that the Scheme, would inter-alia, result in the following benefits:

- a. Streamlining and rationalization of the group structure through consolidation of GSML with ZGL, leading to reduction in compliance and administrative cost of the group;
- b. Imparting better management focus, facilitating administrative convenience and ensuring optimum utilization of various resources of the Companies;
- c. Bring about synergy in operations, economies in costs and other benefits resulting from the economies of scale;
- d. The net worth and regular stream of revenue of the post-merger Transferee Company would facilitate requisite cost effective fund-raise for the future business operations of the Transferee Company; and
- e. Proposed business re-alignment will create enhanced value for the stakeholders of both the Companies. This Scheme is not expected to be in any manner prejudicial to the interest of the concerned shareholders, members, creditors, employees or general public at large.

4. Recommendations of the Audit Committee

- a. The Audit Committee formed an opinion that the implementation of the Scheme is in the best interests of the Company and its Shareholders, Creditors and other Stakeholders.
- b. The Audit Committee hereby approves and recommends the draft Scheme of Amalgamation inter-alia taking into consideration the Valuation Report from Sunil & Co., Chartered Accountants and Valuation Report from Incept Advisory Private Limited, Registered Valuer and Fairness Opinion from SGP Securities Limited, SEBI Registered Merchant Banker on the valuation done by the Valuer for favorable consideration by the Board, Stock Exchanges and SEBI.

Date: July 17, 2020  
Place: United Kingdom



*Mr. D.D. Wiscoop*

Chairman,  
Audit Committee

**ZUARI GLOBAL LIMITED**

CIN No.: L6821GA1307PLC000157

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For ZUARI GLOBAL LIMITED

Authorised Signatories

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**REPORT OF THE AUDIT COMMITTEE MEETING OF GOBIND SUGAR MILLS LIMITED  
("THE COMPANY") HELD THROUGH VIDEO CONFERENCE ON JULY 17, 2020 AT 2.30 PM  
AT GLOBAL BUSINESS PARK, TOWER 'A', 5TH FLOOR, M.G. ROAD, GURUGRAM – 122 002,  
HARYANA**

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**Present Members**

Mr. L.M. Chandrasekaran	-	Chairman
Mr. Bhaskar Chatterjee	-	Member
Mr. Mareo Wadia	-	Member
Mr. R.S. Raghavan	-	Member

**In attendance**

Mr. Gaurav Dutta, Company Secretary

**Invitees**

Mr. Akshay Poddar, Non-Executive Director

Mr. Vijay Kumar Kathuria, Executive Director

Mr. Dharmendra Roy, Chief Financial Officer

Mr. Nishant Dalal, DGM – Corporate Finance

Ms. Suvira Agarwal, representing Restructuring Advisors

Mr. Sunit Khandelwal, representing Sunit & Co., Chartered Accountants

Mr. Punit Khandelwal, representing Inwert Advisory Private Limited, Registered Valuer

Mr. Anup Sharma, SKP Securities Limited, Merchant Banker

**1. Background**


In furtherance to the Board Meeting held on 01<sup>st</sup> August 2019, wherein the Board provided its in-principal approval for evaluation of a proposed re-structuring exercise involving the Company, a Draft Scheme of Amalgamation between Zuari Global Limited ('ZGL') and Gobind Sugar Mills Limited ('GSML') and their respective shareholders and creditors under Sections 230-232 and other applicable provisions, if any, of the

**GOBIND SUGAR MILLS LIMITED**

Regd. Off: Birla Mill Complex, P.O. Birla Lines, G T Road, Near Clock Tower, Kamla Nagar, North Delhi - 110007  
Corp Off: 5th Floor, Tower A, Global Business Park, MG Road, Sector-26, Gurugram -122002, Haryana

For GOBIND SUGAR MILLS LIMITED Tel: +91-124-421 2046, Fax: +91-124-421 2046, Email: lg.gsml@adventz.com  
CIN No: L15421DL1952PLC354222, Website: www.zuarisugar.com

  
Company Secretary



Genuine True Copy



Companies Act, 2013, including any statutory modification or re-enactments thereof for the time being in force ('the Scheme') was placed before the Audit Committee for recommendation of the Scheme, by the Audit Committee to the Board of Directors of the Company in accordance with the requirement of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 read with SEBI Circular No. CFD/DIL3/CIR/2017/26 dated 23rd March 2017 and CFD/DIL3/CIR/2018/2 dated 3rd January 2018 (hereinafter collectively referred to as 'SEBI Circulars'), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This report of the Audit Committee is made in order to comply with the requirements of the SEBI Circulars after considering the following documents:

- A. Draft Scheme of Amalgamation;
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## 2. Proposed Scheme of Amalgamation

- A. The Audit Committee noted the Scheme of Amalgamation between ZGL and GSML and their respective shareholders and creditors.
- B. The salient features of the Scheme are as under:
  - The Scheme provides for the merger of GSML with ZGL
  - The Appointed Date of the Scheme is April 1, 2020
  - The consideration for the Scheme will be as follows:

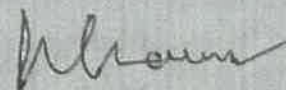
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- a. 100 (One Hundred) equity shares of ZGL of face value of INR 10 (Rupees Ten) each for every 285 (Two Hundred and Eighty Five) equity shares of GSML of face value of INR 10 (Rupees Ten) each; or

For GOBIND SUGAR MILLS LIMITED

  
Company Secretary

**GOBIND SUGAR MILLS LIMITED**



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- b. 10,000 (Ten Thousand) 10.5% Non-Convertible Redeemable Preference Shares of ZGL of face value of INR 10 (Rupees Ten) each for every 1,006 (One Thousand and Six) equity shares of GSML of face value of INR 10 (Rupees Ten) each.

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**3. The Audit Committee further noted that the Scheme, would inter-alia, result in the following benefits:**

- a. Streamlining and rationalization of the group structure through consolidation of GSML with ZGL, leading to reduction in compliance and administrative cost of the group;
- b. Imparting better management focus, facilitating administrative convenience and ensuring optimum utilization of various resources of the Companies;
- c. Bring about synergy in operations, economies in costs and other benefits resulting from the economies of scale;
- d. The net worth and regular stream of revenue of the post-merger Transferee Company would facilitate requisite cost effective fund-raise for the future business operations of the Transferee Company; and
- e. Proposed business re-alignment will create enhanced value for the stakeholders of both the Companies. This Scheme is not expected to be in any manner prejudicial to the interest of the concerned shareholders, members, creditors, employees or general public at large.

For GOBIND SUGAR MILLS LIMITED Certified True Copy

  
 Gobind Sugar Mills Limited



4. Recommendations of the Audit Committee

- a. The Audit Committee formed an opinion that the implementation of the Scheme is in the best interests of the Company and its Shareholders, Creditors and other Stakeholders.
- b. The Audit Committee hereby approves and recommends the draft Scheme of Amalgamation inter-alia taking into consideration the Valuation Report from Sunit & Co., Chartered Accountants and Valuation Report from Inewert Advisory Private Limited, Registered Valuer and Fairness Opinion from SKP Securities Limited, SEBI registered Merchant Banker on the valuation done by the Valuer for favorable consideration by the Board, Stock Exchanges and SEBI.

Date: 17.07.2020

Place: Coimbatore

Chairman, Audit Committee

For GOBIND SUGAR MILLS LIMITED  
  
 Company Secretary

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