

16<sup>th</sup> September, 2017

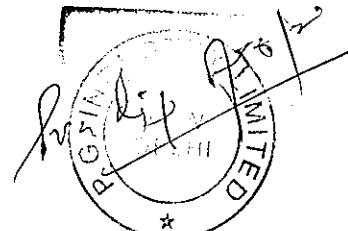
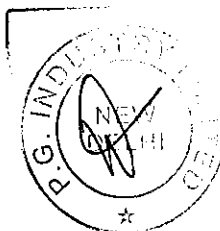
## Report of the Audit Committee recommending the draft Scheme of Arrangement:

### Members Present:

- Mr. Pardip Asopa (Chairperson)
- Mrs. Usha Sharma (Member)
- Mr. Anil Kumar (Member)

1. Draft of the Scheme of Arrangement between Priceless Overseas Limited ("Amalgamating Company") and P G Industry Limited ("Amalgamated Company") and their respective shareholders and creditors pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 for amalgamation of Priceless Overseas Limited (Amalgamating Company) into P G Industry Limited ("Amalgamated Company") and exchange of Equity Shares of Priceless Overseas Limited (Amalgamating Company) for Equity Shares of P G Industry Limited (Amalgamated Company) was considered by the Audit Committee in its meeting held on 16<sup>th</sup> September, 2017.
2. The following documents were, *inter alia*, placed before the Audit Committee:
  - a Draft Scheme of Amalgamation;
  - b. Valuation Report dated 16<sup>th</sup> September, 2017 issued by M/s. S C Verma and Associates, Chartered Accountants on the share allotment ratios for the amalgamation and exchange of shares of Priceless Overseas Limited (Amalgamating Company).
  - c. Fairness Opinion Report dated 16<sup>th</sup> September, 2017 issued by Turnaround Corporate Advisors Private Limited, a SEBI Registered Category-I Merchant Banker
  - d Certificate of Mr. Vishal Goel (Proprietor of Vishal G Goel & Co.), Statutory Auditor of the "P G Industry Limited" (Amalgamated Company) confirming that the accounting treatment under the Scheme was in accordance with the Indian Accounting Standards (IND AS) as notified under Section 133 of the Companies Act, 2013.
3. The share allotment ratios have been suggested as under:-

For Amalgamation: In consideration of the amalgamation, the "P G Industry Limited" (Amalgamated Company) will issue and allot 13,49,434 Equity Shares of Rs.10/- each in the "Priceless Overseas Limited" (Amalgamating Company) in the following ratio:-



1 (one) Equity Share(s) of Rs.10/- each in "P G Industry Limited" (Amalgamated Company) for every 6 (six) Equity Shares of Rs.10/- each fully paid-up held by the said Equity Shareholders of the Amalgamating Company; and

Option for Additional Shares: Instead of retaining their shares in Amalgamating Company, which is an unlisted Company, the Equity Shareholders of Amalgamating Company shall have the option of exchanging their shares in the Amalgamated Company, which is a listed Company, in the following ratio:-

1 Equity Shares of Rs. 10/- each credited as fully paid up in "P G Industry Limited" (Amalgamated Company) in exchange of every 6 Equity Shares of Rs. 10/- each held by them in the "Priceless Overseas Limited" (Amalgamating Company).

In this option, all Equity Shares held by the Equity Shareholders of the "Priceless Overseas Limited" (Amalgamating Company) exercising this option shall be transferred in "P G Industry Limited" (Amalgamated Company) and such Equity Shareholders of "Priceless Overseas Limited" (Amalgamating Company) do not retain any shares in "Priceless Overseas Limited" (Amalgamating Company)

Such option may be exercised by the Equity Shareholders of "Priceless Overseas Limited" (Amalgamating Company) for all and not less than all the Equity Shares held by them in "Priceless Overseas Limited" (Amalgamating Company).

4. The Committee has reviewed the Draft Scheme of Amalgamation and Valuation cum Share Entitlement Report dated 16<sup>th</sup> September, 2017 of Independent Chartered Accountants, M/s. S C Verma and Associates, Chartered Accountants along with Fairness Opinion Report dated 16<sup>th</sup> September, 2017 issued by Turnaround Corporate Advisors Private Limited, a SEBI Registered Category-I Merchant Banker on the aforesaid share allotment ratios. After appraisal of the methodology and basis followed by the said Chartered Accountants and going through the workings in detail, the Committee is satisfied with the report and suggested share allotment ratios as being fair and reasonable. The Committee also finds the draft Scheme as placed before it to be in order.
5. The Committee hereby approves and recommends the same.

By the Order of the Audit Committee  
Of the P G Industry Limited

*Pardip Asopa*



**Pardip Asopa**  
**Chairperson**  
**Audit Committee**

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