OMKAR OVERSEAS LIMITED

Registered Office- 212, New Cloth Market, O/S. Raipur Gate, Raipur, Ahmedabad – 380 002
Phone No.: 91-79-22132078
E - mail: omkaroverseas212@gmail.com Website: www.omkaroverseasltd .com
CIN: L51909GJ1994PLC023680

REPORT OF AUDIT COMMITTEE OF OMKAR OVERSEAS LIMITED RECOMMENDING THE DRAFT SCHEME OF REDUCTION OF CAPITAL AND AMALGAMATION OF SAANVI ADVISORS LIMITED ("SAL" OR "TRANSFEROR COMPANY") AND OMKAR OVERSEAS LIMITED ("OOL" OR "TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS, TO BE ADOPTED AT THE MEETING SCHEDULED TO BE HELD ON FRIDAY, 12TH FEBRUARY, 2021 AT 05:00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY

Where the following members of the Committee were present:

1. Mr. Shivbhagvan R. Bohra	Chairman
2. Mr. Bhanwarlal Sharma	Member
3. Ms. Chinar R. Jethwani	Member

1. BACKGROUND OF THE PROPOSED SCHEME OF ARRANGEMENT

1.1 A meeting of audit Committee of **Omkar Overseas Limited** was held on Friday, 12th February, 2021 to consider and recommend to the Board of Directors, draft Composite Scheme of Reduction of Capital and Amalgamation ("Draft Scheme" or "Scheme") between Saanvi Advisors Limited ("SAL" Or "Transferor Company") and Omkar Overseas Limited ("OOL" Or "Transferee Company") and their respective shareholders and Creditors, in accordance with Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, and in compliance with the provisions of the Income Tax Act, 1961. The scheme is proposed to be effective from the Appointed Date (as defined in the scheme) and operative from effective Date (as defined in the scheme).

1.2 The Committee proposed BSE Limited, one of the stock exchanges having nationwide trading facility, where the equity shares of the Company is listed and traded, to be designated as the **"Designated Stock Exchange"** for the purpose of coordinating with SEBI and for the purpose of filing the Scheme of Amalgamation and Arrangement and other relevant documents in terms of Regulation 37 (1) & (2) of the SEBI (LODR) Regulation, 2015, read with the SEBI Circular No.CFD/DIL2/CIR/2017/21, and for obtaining the Observation Letter from the Designated Stock Exchange."

OMKAR OVERSEAS LIMITED AHMEDABAD

OMKAR OVERSEAS LIMITED

Registered Office- 212, New Cloth Market, O/S. Raipur Gate, Raipur, Ahmedabad – 380 002

Phone No.: 91-79-22132078

E - mail: omkaroverseas212@gmail.com Website: www.omkaroverseasltd .com

CIN: L51909GJ1994PLC023680

1.3 The Committee noted that as per SEBI Circular - CFD/DIL3/CIR/2017 /21 dated March 10, 2017, as amended ("SEBI Circular"), the Audit Committee of a listed Company is required to

recommend to the Board of Directors the draft scheme taking into account, inter alia, the valuation Report and Fairness Opinion and also comment on the matters specified in the said SEBI circular. Accordingly, this report of Audit Committee is made in order to comply with the requirements of the SEBI Circular.

1.4 The following documents were placed before the Audit Committee:

a. Draft Scheme of Arrangement duly initialed by the Chairman of the Committee for the purpose of identification;

b. Valuation Report dated 12th February, 2021 issued by Shri Jainam Pragneshbhai Shah, Independent Chartered Accountants, being Registered Valuer **("Registered Valuer")** describing the methodology adopted by him in arriving at and recommending the Share Exchange Ratios (" **Valuation Report");**

c. Fairness Opinion dated 12th February, 2021 issued by Kunvarji Finstock Private Limited, the SEBI registered Category-I, Merchant Banker, providing the Fairness Opinion on the Share Exchange Ratio recommended by the Registered Valuer **("Fairness Opinion");**

d. Draft of the Certificate to be issued by the Statutory Auditors of the Company i.e. **Abhishek Kumar & Associates**, Chartered Accountants, confirming that the accounting treatment contained in the draft Scheme is in compliance with Accounting Standards as notified under Section 133 of the Companies Act, 2013 read with the Rules framed thereunder and other generally accepted accounting principles;

e. Audited financial statements of the Transferor Companies and the Transferee Company for the preceding three financial years;

2. PROPOSED SCHEME OF AMALGAMATION AND ITS IMPACT:

2.1 SALIENT FEATURES:

The Audit Committee reviewed the draft Scheme and noted the following salient features of the Scheme:

a) The Scheme ("Draft Scheme" or "Scheme") provides for amalgamation between Saanvi Advisors Limited ("SAL" Or "Transferor Company") and Omkar Overseas Limited ("OOL" Or "Transferee Company") and reorganization of the share capital of Omkar Overseas

OMKAR OVERSEAS LIMITED AHMEDABAD

OMKAR OVERSEAS LIMITED
Registered Office- 212, New Cloth Market, O/S. Raipur Gate, Raipur, Ahmedabad – 380 002
Phone No.: 91-79-22132078
E - mail: omkaroverseas212@gmail.com Website: www.omkaroverseasltd .com
CIN: L51909GJ1994PLC023680

Limited and their respective shareholders and creditors on a going concern basis in the manner provided for in the Scheme in accordance with Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder and in compliance with the provisions of the Income Tax Act, 1961.

b) The Scheme shall be effective from the Appointed Date (as defined in the scheme) and operative from effective Date (as defined in the scheme).

c) The amalgamation of the Transferor Company into the Transferee Company, by way of merger by absorption and dissolution of the Transferor Company without winding up and consequent issuance of the New Shares (as defined hereunder) of the Transferee Company in accordance with the Share Exchange Ratio (as defined hereunder) to the respective members of the Transferor Company in respect of the share of each Transferor Company held by them, in accordance with this Scheme.

*" **6 (Six)** Equity Shares of Rs. 10/- (Rupee Ten only) each, credited as fully paid-up in OOL viz. the Transferee Company shall be issued and allotted at par for every **5 (Five)** Equity Shares of the face value of Rs. 10/- (Rupees Ten only) to the Shareholders of SAL viz. the Transferor Company."*

2.2 NEED AND RATIONALE FOR AMALGAMATION

The Audit Committee noted that the Amalgamation pursuant to the scheme is proposed to the Board of Directors of the Transferor Companies and the Transferee Company with the following objectives and rationale:

I. The merger of Saanvi Advisors Limited with Omkar Overseas Limited will enable significant consolidation of the activities of both the Companies into a single entity, which will provide more efficient utilization of capital, human resource and infrastructure to create a stronger base for future prospects

II. Merger of Saanvi Advisors Limited into Omkar Overseas Limited pursuant to this Scheme would result in streamlining and help to realize operational synergies which would result in simplification of structure and operations.

The amalgamation is in the interest of the shareholders, creditors and all other stakeholders of the respective companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

2.3 SYNERGIES OF BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME

The Company as of today do not have any remarkable business. It is proposed that the resources in terms of contacts, manpower etc. is not being put to gainful use. Therefore the

OMKAR OVERSEAS LIMITED AHMEDABAD

OMKAR OVERSEAS LIMITED

Registered Office- 212, New Cloth Market, O/S. Raipur Gate, Raipur, Ahmedabad – 380 002

Phone No.: 91-79-22132078

E - mail: omkaroverseas212@gmail.com Website: www.omkaroverseasltd .com

CIN: L51909GJ1994PLC023680

Amalgamation with other entity may provide better synergies and the resources at the Companies disposal can be put to better gainful use.

2.4 IMPACT OF THE SCHEME ON THE SHAREHOLDERS

The Audit Committee noted that pursuant to the Scheme, the entire business and Undertakings (as defined in the Scheme) of the Transferor Company shall vest in the Transferee Company and accordingly, the shareholders of the Transferee Company will have share in return of larger business operations and asset base of the Transferee Company.

Considering the overall rationale and benefits of the Scheme, the Audit Committee is of the opinion that the Scheme is in the best interest of all stakeholders including the shareholders.

2.5 The Audit Committee reviewed the Valuation Report, concurred with the valuation methodologies adopted by the Registered Valuer and noted that Valuation Report recommended the following share exchange ratios for the Scheme:

"6 (Six) Equity Shares of Rs.10/- each fully paid up of Omkar Overseas Limited for every 5 (Five) equity shares of Rs.10/- each fully paid up of Saanvi Advisors Limited."

2.6 The Audit Committee also noted that the Fairness Opinion which confirms that the Share Exchange Ratio recommended in the Valuation Report is Fair to the Transferor Companies, Transferee Company and their respective shareholders;

2.7 The Audit Committee also noted the statutory auditors of the Company have confirmed that the accounting treatment contained in the draft Scheme is in compliance with Accounting Standards as notified under Section 133 of the Companies Act, 2013 read with the Rules framed there under and other generally accepted accounting principles.

2.8 COST BENEFIT ANALYSIS OF THE SCHEME

The amalgamation of the SAL with OOL would inter alia provide the following benefits:

a. Stronger base for future growth, benefit of scale, translating into increased business opportunities and reduced expenses;

b. Greater integration and greater financial strength and flexibility for the amalgamated entity;

OMKAR OVERSEAS LIMITED AHMEDABAD

OMKAR OVERSEAS LIMITED

Registered Office- 212, New Cloth Market, O/S. Raipur Gate, Raipur, Ahmedabad – 380 002
Phone No.: 91-79-22132078

E - mail: omkaroverseas212@gmail.com Website: www.omkaroverseasltd .com

CIN: L51909GJ1994PLC023680

c. Improved organizational capability and leadership, arising from combination of human capital who collectively have diverse skills, talent and vast experience to compete successfully;

d. Utilization of common pool of resources;

e. The combination of both the businesses would increase long term value for all the stakeholders; and

f. Rationalization of structure of both the Companies.

3. RECOMMENDATION OF THE AUDIT COMMITTEE

Having considered the draft Scheme and its rationale and benefits, Valuation Report, Fairness Opinion, other documents as placed and impact of the Scheme on all stakeholders, the Audit Committee hereby unanimously recommends the Draft Scheme to the Board of Directors of the Company, concerned Stock Exchanges, Securities and Exchange Board of India ("SEBI"), the shareholders and creditors of the Company and all other appropriate authorities for their favourable consideration and approval.

FOR AND ON BEHALF OF THE AUDIT COMMITTEE OF OMKAR OVERSEAS LIMITED

SHIVBHAGWAN BOHRA
CHAIRMAN OF AUDIT COMMITTEE
(DIN: 00419134)

PLACE: AHMEDABAD
DATE: 12/02/2021

OMKAR OVERSEAS LIMITED AHMEDABAD

OMKAR OVERSEAS LIMITED

Registered Office- 212, New Cloth Market, O/S. Raipur Gate, Raipur, Ahmedabad – 380 002

Phone No.: 91-79-22132078

E - mail: omkaroverseas212@gmail.com Website: www.omkaroverseasltd .com

CIN: L51909GJ1994PLC023680

CERTIFIED TRUE COPY OF THE CIRCULAR RESOLUTION PASSED BY THE AUDIT COMMITTEE OF OMKAR OVERSEAS LIMITED COMPANY ON TUESDAY,THE 15TH DAY OF JUNE, 2021

APPROVAL OF ADDENDUM TO VALUATION REPORT:

"RESOLVED THAT the Addendum to valuation report issued by Shri Jainam Pragneshbhai Shah, Chartered Accountants, being Independent Valuer appointed for the purpose of determining the exchange ratio for amalgamation of Saanvi Advisors Limited with the Company as placed before the committee be and is hereby noted , accepted and recommended to the Board of Directors."

/// CERTIFIED TRUE COPY///
FOR OMKAR OVERSEAS LIMITED

SHIVBHAGWAN BOHRA
CHAIRMAN
(DIN: 00419134)

OMKAR OVERSEAS LIMITED AHMEDABAD