



Annexure - 3

SIMBHAOLI SUGARS

Simbhaoli Sugars Limited

(An FSSC 22000 : 2011, ISO 9001 : 2008 & 14001 : 2004 Certified Company)

Corporate Office :

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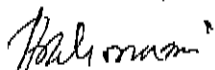
REPORT OF AUDIT COMMITTEE OF SIMBHAOLI SUGARS LIMITED

The Securities and Exchange Board of India vide its Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013 ("Circular") has, amongst other requirements, sought a Report from the Audit Committee of the Listed Companies recommending the Draft Scheme under Section 391- 394 or 101 of the Companies Act, 1956, after taking into consideration, inter-alia, the Valuation Report of an Independent Chartered Accountant.

In light of above circular of SEBI, the Audit Committee at its meeting held on March 15, 2014 examined the Scheme of Amalgamation between the Company (hereinafter referred as SSL) and Simbhaoli Spirits Limited (SISPL) along with the "Valuation Report of M/s. Rahul Bansal and Company, Chartered Accountants dated 12th March, 2014 and Fairness Opinion of M/s. Corporate Professionals Capital Private Limited dated 14th March, 2014.

After consideration, the members of the Audit Committee unanimously took note of the "Valuation Report from an Independent Chartered Accountant" and formed an opinion that the implementation of the proposed Scheme of Amalgamation, ("the Scheme") between Simbhaoli Sugars Limited ("the Company" or "Amalgamating Company") and Simbhaoli Spirits Limited ("Simbhaoli Spirits" or "Amalgamated Company") and their respective shareholders and creditors, whereby all the properties and liabilities of the Company are being transferred to Simbhaoli Spirits is in the best interest of the Company and its shareholders, creditors and other stakeholders. The Committee recommends the draft Scheme for favourable consideration by the Board of Directors, Stock Exchange(s) and SEBI.

For Simbhaoli Sugars Limited


(Chairman of Audit Committee)

Date: 15th March 2014
Place: New Delhi

For SIMBHAOLI SUGARS LTD.


SANDEEP JOSHI
Asst. Company Secretary

Specialty Sugars

Potable Alcohol

Ethanol

Power