

REPORT ADOPTED BY THE AUDIT COMMITTEE OF TRIVENI ENGINEERING & INDUSTRIES LIMITED RECOMMENDING THE DRAFT COMPOSITE SCHEME OF ARRANGEMENT AMONGST TRIVENI ENGINEERING & INDUSTRIES LIMITED ("AMALGAMATED COMPANY"/ "THE COMPANY"/ "DEMERGED COMPANY") AND SIR SHADI LAL ENTERPRISES LIMITED ("AMALGAMATING COMPANY") AND TRIVENI POWER TRANSMISSION LIMITED ("RESULTING COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS, OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON DECEMBER 10, 2024

Members Present

1. Dr Meena Hemchandra – Chairperson
2. Mr Siraj Azmat Chaudhry
3. Mr Tarun Sawhney

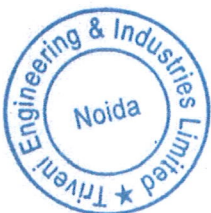
1. Background of the proposed scheme:

- 1.1 A meeting of the Audit Committee of Triveni Engineering & Industries Limited was held on December 10, 2024 to *inter-alia* consider, and recommend to the Board of Directors of the Company, the draft Composite Scheme of Arrangement, amongst Triveni Engineering & Industries Limited ("**Amalgamated Company**"/ "**Company**"/ "**Demerged Company**"), Sir Shadi Lal Enterprises Limited ("**Amalgamating Company**") and Triveni Power Transmission Limited ("**Resulting Company**") and their respective shareholders and their respective creditors under Section 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**"), read with the rules made thereunder ("**Scheme**")
- 1.2 In terms of the master circular bearing no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, or any other circulars issued by the Securities and Exchange Board of India ("**SEBI**"), prescribing the compliance requirements for schemes of arrangement involving listed companies in each case, as amended from time to time, (collectively, the "**SEBI Master Circular**"), a report from the Audit Committee recommending the draft Scheme is required, taking into consideration, *inter-alia*, (a) Valuation Report (as defined hereinafter), and (b) commenting on the need for the Scheme, rationale of the Scheme, synergies of the business of entities involved in the Scheme, impact of the Scheme on the shareholders and cost benefit analysis of the Scheme.

This Audit Committee report is made in compliance with the requirements of the SEBI Master Circular issued by the SEBI pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

2. Overview of the Scheme

- 2.1 The Scheme, *inter-alia* provides for the following:
 - (i) amalgamation of the Amalgamating Company with and into the Amalgamated Company and the consequent issuance of equity shares by the Amalgamated Company to the members of the Amalgamating Company, in terms of Section 2(1B) and other applicable provisions of the Income Tax Act, 1961 ("**IT Act**") and Sections 230 to 232 and other applicable provisions of the Act, as may be applicable, the listing of the equity shares of the Amalgamated Company which shall be issued as consideration to the members of the Amalgamating Company, and the cancellation of the SSEL Promoter Shareholding;



Meena