

Almondz Global Securities Ltd.

REPORT OF THE COMMITTEE OF INDEPENDENT DIRECTORS OF ALMONDZ GLOBAL SECURITIES LIMITED APPROVING THE DRAFT COMPOSITE SCHEME OF ARRANGEMENT BETWEEN ALMONDZ GLOBAL SECURITIES LIMITED ("DEMERGED COMPANY" OR "TRANSFEROR COMPANY NO. 1), ALMONDZ BROKING SERVICES LIMITED ("RESULTING COMPANY"), ALMONDZ FINANZ LIMITED ("TRANSFEROR COMPANY NO. 2"), APRICOT INFOSoft PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 3"), AVONMORE DEVELOPER PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 4"), ANEMONE HOLDING PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 5"), ALMONDZ INSOLVENCY RESOLUTIONS SERVICES PRIVATE LIMITED ("TRANSFEROR COMPANY NO. 6) AND AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED ("TRANSFeree COMPANY"), AND THEIR RESPECTIVE SHAREHOLDERS ISSUED AT THE MEETING OF COMMITTEE OF INDEPENDENT DIRECTORS OF THE COMPANY HELD ON WEDNESDAY, APRIL 9, 2025 AT 12.45 P.M. AT THE OFFICE OF THE COMPANY AT F-33/3 OKHLA INDUSTRIAL AREA PHASE-II, NEW DELHI-110020

The following Members of the Committee of Independent Directors were Present:

- | | |
|-----------------------------|--|
| 1. Mr. Ajay Kumar | - Independent Director & Chairman of the Committee |
| 2. Mr. Satish Chandra Sinha | - Independent Director & Member of the Committee |
| 3. Mr. Surinder Singh Kohli | - Independent Director & Member of the Committee |

I. Background

(a) A meeting of Committee of Independent Directors of Almondz Global Securities Limited ("Demerged Company" or "Transferor Company No. 1") was held on Wednesday, April 9, 2025 to *inter alia*, consider and recommend the draft Composite Scheme of Arrangement involving:

- i. Demerger of Broking Business (hereinafter referred to as "Demerged Undertaking" and more particularly defined hereinafter) belonging to M/s Almondz Global Securities Limited (hereinafter referred to as "Demerged Company" or "Transferor Company No. 1") with and vesting into M/s Almondz Broking Services Limited (hereinafter referred to as "Resulting Company");
- ii. Amalgamation of M/s Almondz Global Securities Limited ("Demerged Company" or "Transferor Company No. 1") along with its Remaining Business (as defined hereinafter) with and into M/s Avonmore Capital & Management Services Limited (hereinafter referred to as "Transferee Company"); and
- iii. Amalgamation of Almondz Finanz Limited (hereinafter referred to as Transferor Company No. 2), Apricot Infosoft Private Limited (hereinafter referred to as Transferor Company No. 3), Avonmore Developer Private Limited (hereinafter referred to as Transferor Company No. 4), Anemone Holding Private Limited (hereinafter referred to as Transferor Company No. 5), and Almondz Insolvency Resolutions Services Private Limited ((hereinafter referred to as Transferor Company No. 6) with and into Avonmore Capital & Management Services Limited (hereinafter referred to as "Transferee Company").

Registered Office: Level-5, Grande Palladium, 175, CST Road, Off BKC Kalina, Santacruz(E), Vidyannagari Mumbai- 400098, Maharashtra, India. Tel. +91 22 66437600, Fax: +91 22 66437700

Corporate Office: F-33/3 Okhla Industrial Area Phase - II, New Delhi - 110020, India, Tel.: + 91 1143500700 Fax: + 91 1143500735
CIN: L74899MH1994PLC434425, Email: secretarial@almondz.com, Website: www.almondzglobal.com

under the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ("the Act") read with relevant rules framed thereunder, as required by SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 "Master Circular 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" dated June 20, 2023 issued by the Securities and Exchange Board of India ("SEBI"), ("SEBI Scheme Circular"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Section 2(19AA) read with applicable provisions of the Income-tax Act, 1961 ("IT Act").

- (b) This report of the Committee of Independent Directors is made in order to comply with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023 ("SEBI Master Circular") including amendments thereto.
- (c) The following documents were placed before the Committee of Independent Directors, duly initialed by the Executive Director of the Company for the purpose of identification:
- Draft Scheme
 - Share Exchange Ratio Report dated March 30, 2025 prepared by Mr. Harish Chander Dhamija (Registration No. IBBI/RV/03/2018/10088), an IBBI Registered Valuer, providing the Share Exchange Ratio for the proposed Scheme;
 - Fairness Opinion dated March 31, 2025 prepared by 3Dimension Capital Services Limited, a SEBI Registered Category I Merchant Banker, providing the Fairness Opinion on the Share Exchange Ratio ("Fairness Opinion") as recommended by Mr. Harish Chander Dhamija (Registration No. IBBI/RV/03/2018/10088); and
 - Certificate dated April 9, 2025 issued by the Statutory Auditors of the Company i.e., Mohan Gupta & Co., Chartered Accountants, to the effect that the Scheme is in compliance with the applicable Accounting Standards as specified by the Central Government under Section 133 of the Companies Act, 2013;
- (d) The Draft Scheme will be filed with BSE and NSE, pursuant to Regulation 37 of the Listing Regulations read with the SEBI Scheme Circular, for obtaining a no-objection letter from the stock exchanges.
- (e) The Scheme will be presented before the National Company Law Tribunal, Mumbai, under Sections 230 to 232 and other applicable provisions of the Act, the SEBI Scheme Circular and will also be in compliance with Section 2(19AA) and other relevant provisions of the Income tax Act, 1961.

II. Need, Rationale and Synergies of business of the entities involved in the Scheme

The Committee of Independent Directors of the Company noted the rationale and the benefits of the Scheme which, *inter-alia*, are as follows:

Circumstances necessitating the Scheme:



The block contains a handwritten signature in black ink and a circular blue ink stamp. The stamp is for 'Amn Global Securities Ltd.' and has a star in the center. The signature is written over the stamp.

According to the Rule 8(1)(f) and Rule 8(3)(f) Securities Contract (Regulations) Rules, 1957 ("SCRR"), and the NSE Clarification Circular dated January 7, 2022 ("Circular"), members of a Stock Exchange except those provided under Rule 8(8) of SCRR, are not allowed to engage either as a principal or employee, in any business, other than that of securities or commodity derivatives, except as a broker or agent, not involving any personal financial liability. The relevant extracts of the Circular are reproduced herein below:

"It is reiterated that Members are not permitted to engage in any business or activities or transactions, directly or indirectly, other than that of securities or commodity derivative except as a broker or agent not involving any personal financial liability."

Objects Sought to be achieved through the Scheme:

In order to comply with the SCRR and the Circular, a segregation, of the non-broking business ("Non Broking Business") from the equity broking business ("Broking Business") pertaining to the Demerged Company/the Transferor Company No. 1 into a separate vertical. Pursuant to which, it is proposed to transfer and vest the Demerged Undertaking i.e., the Broking Business of the Demerged Company into the Resulting Company through this Scheme (as defined hereinafter) under Sections 230-232 of the Companies Act, 2013 ("2013 Act"), resulting into the Demerged Undertaking and assets being held and owned by the Resulting Company ("Demerger").

The Demerger shall achieve the following benefits for the Companies:

1. The transfer and vesting of the Demerged Undertaking of the Demerged Company to the Resulting Company through this Scheme is with a view to unlock the economic value of companies.
2. The Demerger shall allow the Demerged Company and Resulting Company to pursue independent growth strategy for its targeted client base.
3. Enhancing operational efficiency, ensuring synergies through pooling of the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies; and
4. The Demerger shall assist in rationalizing the corporate structure.

The proposed amalgamation is likely to result in the following advantages:

1. The proposed amalgamation will overcome operational constraints including availability of workforce/employees, expertise and supervision, other common resources, etc.
2. The amalgamation would result in reduction in the multiplicity of legal and regulatory compliances, multiple record keeping and cost saving by way of reduction of overheads, administrative, managerial and other expenditure.
3. Reduction in the number of Non-Banking Financial companies within the Almondz Group through surrender of the NBFC license to the RBI as a result of the amalgamation.
4. The amalgamation would allow the Transferee Company to benefit from the complementary skills of the combined management team, which will in turn enhance the overall corporate capability, provide focused strategic leadership and facilitate better supervision of the business.
5. The amalgamation would result in improved competitive position of the Transferee Company as a combined entity

The Committee of Independent Directors is of the informed opinion that the proposed rationale of the Scheme will be beneficial for the Company and its Shareholders.



A handwritten signature in black ink is written over a circular purple stamp. The stamp contains the text "Almondz Global Securities Ltd." around the perimeter. The signature appears to be "Rajesh Kumar".

III. Cost benefit analysis of the Scheme

After evaluation of the proposed Draft Scheme of Arrangement, the Committee of Independent Directors is of the view that implementation of the Scheme would lead to incurring of some costs, however, the benefits of the Scheme over a longer period would far outweigh such costs for the stakeholders of the Company.

IV. Recommendation of the Committee of Independent Directors

The Committee of Independent Directors after due deliberations and due consideration of all the terms of:

- The Draft Scheme of Arrangement,
- Valuation Report dated March 30, 2025 issued by Mr. Harish Chander Dhamija (Registration No. IBBI/RV/03/2018/10088)
- Fairness Opinion Report dated March 31, 2025 issued by 3Dimension Capital Services Limited, a SEBI Registered Category I Merchant Banker,
- Certificate dated April 9, 2025 obtained from Statutory Auditors of the Company i.e; Mohan Gupta & Co. regarding compliance of the accounting treatment contained in the draft scheme with the accounting standards specified under section 133 of the Companies Act, 2013

The Committee of Independent Directors is of the view that the Scheme is not detrimental to the interests of the shareholders of the Company and, recommends the Draft Scheme for the favorable consideration and approval by the Board of Directors of the Company.

For and on Behalf of Almondz Global Securities Limited


Ajay Kumar
Chairman of the Committee of Independent Directors
DIN: 01954049

Date: 09.04.2025

Place: New Delhi