Baid Leasing and Finance Co. Ltd.
Regd. Office: "Baid House", 2nd Floor, 1-Tara Nagar, Ajmer Road, Jaipur-06 Ph:9214018855
E-mail: cs@baidgroup.in Website: www.balfc.com CIN: L65910RJ1991PLC006391

ANNEXURE A

REPORT OF AUDIT COMMITTEE OF BAID LEASING AND FINANCE CO. LTD. (COMPANY) RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION OF JAISUKH DEVELOPERS PRIVATE LIMITED AND SKYVIEW TIE UP PRIVATE LIMITED WITH THE COMPANY

MEMBERS

Mr. Mudit Singhi	Chairman (Independent Director)
Mr. Anurag Patni	Member (Independent Director)

IN ATTENDANCE

Ms. Namrata Sajnani	Company Secretary and Compliance Officer

1. Background

1.1 A meeting of the Audit Committee of Baid Leasing and Finance Co. Ltd. ("the Transferee Company") was held on 07.12.2016 to consider and recommend the proposed Scheme of amalgamation of Jaisukh Developers Private Limited and Skyview Tie Up Private Limited ("the Transferor Companies") with the Transferee Company under Sections 391 to 394 of the Companies Act, 1956 and the relevant provisions of the Companies Act, 2013 as and when would be applicable.

1.2 This report of the Audit Committee is made in order to comply with the requirements of the Circular No. CIR/CFD/CMD/16/2015 dated 30th November, 2015 issued by the Securities Exchange and Board of India ("SEBI").

1.3 The following documents were placed before the Audit Committee:

1.3.1 Draft Scheme of Amalgamation, initialed by the Chairman of the Committee for the purpose of identification;

1.3.2 Valuation Report dated 07.12.2016 of M/s. R. Sogani & Associates, Independent Chartered Accountant ("the Valuer"), describing the methodology adopted by them in arriving at the share entitlement ratio ("Valuation Report").

1.3.3 Fairness Opinion dated 07.12.2016 prepared by Hem Securities Ltd., Merchant Bankers, providing the Fairness Opinion on the share exchange ratio as recommended by M/s. R. Sogani & Associates, the Valuers, ("Fairness Opinion").

2. Proposed Scheme of Amalgamation

The salient features of the Scheme are as under:

2.1 The Scheme provides for merger of Jaisukh Developers Private Limited and Skyview Tie Up Private Limited with the company.

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2.2 The Appointed Date for the Scheme is fixed on 01st April, 2016 or such other date as may be agreed between the Transferor Companies and the Transferee Company and approved by the High Court/ National Company Law Tribunal (NCLT), as he case may be.

2.3 The proposed restructuring will create a large company, intending to achieve larger product portfolio, economies of scale, efficiency, and other related economies by consolidating the business operations being managed by different management teams with healthy mix of steady cash flows and long-term growth opportunities.

2.4 It is believed that this Scheme will create enhanced value for shareholders and allow a focused growth strategy which would be in the best interests of all stakeholders. The restructuring proposed by this scheme will also provide flexibility to the investors to select investments which best suit their investment strategies and risk profile.

2.5 The Scheme provides for transfer of assets and liabilities pertaining to Transferor Companies on a going concern basis.

2.6 Upon the Scheme coming into effect, all equity shares of the Transferor Companies held by shareholders of the Transferor Companies shall be allotted new equity shares of Transferee Company in Share Exchange Ratio mentioned in the Scheme.

2.7 In terms of the Scheme of Amalgamation, Transferor Companies will be amalgamated with the Transferee Company, followed by the dissolution without winding up of first mentioned.

2.8 The Audit Committee reviewed and noted the valuation Report and recommends the following share entitlement ratio:

For Jaisukh Developers Private Limited (Transferor Company 1)

10 (Ten) fully paid up equity shares of Rs. 10 (Rupees Ten) each for every 21 (Twenty One) fully paid up equity shares of Rs. 10 (Rupees Ten) each held by an equity shareholder in Jaisukh Developers Private Limited pursuant to the amalgamation of transferor companies with the transferee company.

For Skyview Tie Up Private Limited (Transferor Company 2)

10 (Ten) fully paid up equity shares of Rs. 10 (Rupees Ten) each for every 192 (One Hundred and Ninety Two) fully paid up equity shares of Re. 1 (Rupee One) each held by an equity shareholder in Skyview Tie Up Private Limited pursuant to the amalgamation of transferor companies with the transferee company.

2.9 Further, the Fairness Opinion confirmed that the share entitlement ratio in the Valuation Report is fair to the equity shareholders of the company.

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3. Recommendation of Audit Committee:

Taking into consideration the Valuation Report, the Fairness Opinion and also independent assessment of the scheme, the Audit Committee recommends the draft Scheme to the Board of Directors of the Company for its consideration and approval by the Stock Exchange and SEBI and other applicable regulatory bodies.

By Order of the Audit Committee
For and on behalf of
Baid Leasing and Finance Co. Ltd.

Baid Leasing and Finance Co. Ltd. Baid House IInd Floor 1, Tara Nagar Ajmer Road

Mudit Singhi
Chairman Audit Committee
Date: 07.12.2016