

12th June, 2017

1. Draft of the Scheme of Arrangement between Florence Investech Limited ("Florence"), BMF Investments Limited ("BMF"), J.K. Fenner India Limited ("FIL") and Bengal & Assam Company Limited ("the Transferee Company") and their respective shareholders pursuant to the provisions of Sections 230 of the Companies Act, 2013 for (a) amalgamation of Florence and BMF ("Transferor Companies") with the Transferee Company and (ii) exchange of Equity Shares of FIL for Equity Shares of the Transferee Company at the option of Equity Shareholders of FIL was considered by the Audit Committee in its meeting held on 12th June, 2017.
2. The following documents were, *inter alia*, placed before the Audit Committee:
 - a. Draft of the Scheme of Arrangement prepared by Messrs. Khaitan & Co, Advocates.
 - b. Report dated 12th June, 2017 of Messrs. Doogar & Associates and Lunawat & Co., Chartered Accountants on the share allotment ratios for the amalgamation and exchange of shares of FIL.
 - c. Fairness Opinion dated 12th June 2017 of Hem Securities Limited, Merchant Bankers, on the share allotment ratios recommended by Messrs. Doogar & Associates and Lunawat & Co, Chartered Accountants.
 - d. Certificate of Messrs. Lodha & Co., Auditors of the Transferee Company confirming that the accounting treatment under the Scheme was in accordance with the Accounting Standards.
3. The share allotment ratios have been suggested as under:-
 - a. For Amalgamation: In consideration of the amalgamation, the Transferee Company will issue and allot Equity Shares of Rs.10/- each in the Transferee Company credited as fully paid up to the Equity Shareholders of Florence and FIL (other than the Transferee Company itself) in the following ratio:-
 - i. 89 Equity Share(s) of Rs.10/- each in the Transferee Company for every 100 Equity Share of Rs.10/- each fully paid-up held by the said Equity Shareholders of Florence in the capital of Florence; and
 - ii. 101 Equity Share(s) of Rs.10/- each in the Transferee Company for every 100 Equity Share(s) of Rs.10/- each fully paid-up held by the said Equity Shareholders of FIL in the capital of FIL.
 - b. Option for Additional Shares: Instead of retaining their shares in FIL, which is an unlisted Company, the Equity Shareholders of FIL shall have the option of exchanging their shares in FIL for additional Equity Shares in the Transferee Company, which is a listed Company, in the following ratio:-
 - 51 Equity Shares of Rs. 10/- each credited as fully paid up in the Transferee Company in exchange of every 100 Equity Shares of Rs. 10/- each held by them in FIL.

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For Bengal & Assam Company Ltd.

Secretary



- In this option, all Equity Shares of FIL held by the Equity Shareholders of FIL exercising this option shall be transferred to the Transferee Company and such Equity Shareholders of FIL do not retain any shares in FIL.
- Such option may be exercised by the Equity Shareholders of FIL for all and not less than all the Equity Shares held by them in FIL.

4. The Committee has reviewed the Report dated 12th June, 2017 of independent Chartered Accountants, Messrs. Doogar & Associates and Lunawat & Co. on the aforesaid share allotment ratios. After appraisal of the methodology and basis followed by the said Chartered Accountants and going through the workings in detail, the Committee is satisfied with the report and suggested share allotment ratios as being fair and reasonable. The Committee also finds the draft Scheme as placed before it to be in order.

5. The Committee hereby approves and recommends the draft Scheme.

By order of the Audit Committee
of Bengal & Assam Company Limited



J.R.C. Bhandari

(J.R.C. Bhandari)

Chairman of the Audit Committee

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[Signature]
Secretary