



Indian Toners & Developers Ltd.

(A Govt. recognized Export House)
CIN No. L74993UP1990PLC015721

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Corporate Office :
1223, DLF Tower B, Jasola,
New Delhi - 110 025 (India)

To,
The Board of Directors
Indian Toners & Developers Limited

Report of the Audit Committee of the Company, M/s Indian Toners & Developers Limited

The Audit Committee, at its meeting held on March 23, 2016 at 11:00 a.m. has considered the draft Scheme of Amalgamation of ITDL Imagetec Limited (Transferor Company 1), ABC Commercial Company Limited (Transferor Company 2), Alankar Securities Private Limited (Transferor Company 3), Triveni Securities Private Limited (Transferor Company 4), Mahavir Phototech Private Limited (Transferor Company 5) and Indian Toners & Developers Limited (Transferee Company) under Sections 391 to 394 of the Companies Act, 1956 and the valuation report as obtained from M/s AARA & Company, Independent Chartered Accountants.

Further, in terms of SEBI circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 a report from the Audit Committee recommending the Draft Scheme of amalgamation under the companies act 1956, taking into consideration, inter-alia the valuation report, and the fairness opinion is required. This report is made in order to comply with the requirement of the circular.

This report of audit committee is made after pursuing the following documents:

1. Draft scheme of amalgamation among ITDL Imagetec Limited (Transferor Company 1), ABC Commercial Company Limited (Transferor Company 2), Alankar Securities Private Limited (Transferor Company 3), Triveni Securities Private Limited (Transferor Company 4), Mahavir Phototech Private Limited (Transferor Company 5) and Indian Toners & Developers Limited (Transferee Company)
2. Valuation report dated March 18, 2016 issued by M/s AARA & Company, Chartered Accountant.
3. Fairness opinion dated March 22, 2016 issued by Corporate Professionals Capital Private Limited, SEBI registered category I Merchant Bankers

Salient features of the scheme:

- The scheme provides for arrangement among the company, its 51% subsidiary and other promoter group companies, holding shares in Indian Toners & Developers Limited, with an appointed date as 01.04.2016.
- With effect from the Appointed Date and upon the Scheme becoming effective, all the properties, assets and liabilities, licenses, approvals and manpower, franchises, rights, privileges, permits, quotas, rights, entitlements, shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities
- In consideration, the Transferee Company shall issue its equity shares to the shareholders of the Transferor Companies in accordance with the Share Exchange Ratio as suggested by the Independent professional firm M/s AARA & Company, Chartered Accountants.
- Upon the coming into effect of this Scheme, the amalgamation of the Transferor Companies with the Transferee Company shall be accounted for as per the "Accounting

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Registered Office & Works (I): 10.5 km. Milestone, Rampur-Bareilly Road, Rampur - 244901 (U.P.), INDIA



NO 1901/2003 Certified Company
ISO 9001:2004 Certified Company


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Standard 14: Accounting for Amalgamations" as prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Ministry of Corporate Affairs

Recommendation of the Audit Committee:

Having considered the documents, Valuation Report, Fairness Opinion, the audit committee hereby unanimously recommends the draft scheme for favorable consideration by the Board of Directors of the company, BSE Limited and Securities and Exchange Board of India.

**By and on behalf of the Audit Committee of
Indian Toners and Developers Limited**


(Chairman of the meeting)

Date: March 23, 2016
Place: New Delhi