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MAPRO INDUSTRIES LIMITED

Regd. Office: 505, Corporate Corner, 5th Floor, Sunder Nagar, Malad (W), Mumbai - 400 064

Tel No: 91-22-28725764; Email Id: info@maproindustries.com

Report on Recommendations of the Audit Committee on the Draft Scheme of Arrangement between Potential Infra Projects Limited and Mapro Industries Limited.

The Chairman informed the Members of the Committee that the Board of Directors at their meeting held on 29^h August, 2013 had approved the Draft Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956 between Potential Infra Projects Limited and Mapro Industries Limited. The Audit Committee has furnished the Report recommending the Draft Scheme after considering the Valuation Report which has been submitted by M/s Jain & Sultania, Chartered Accountants.

Below are the Recommendations of the Audit Committee on the Draft Scheme of Arrangement:

1.	Date	
2.	Name of the Transferor Company	Potential Infra Projects Limited
3.	Name of the Transferee Company	Mapro Industries Limited
4.	Details of the Merger	Potential Infra Projects Limited ("The Transferor Company") will be merged with Mapro Industries Limited ("The Transferee Company"), where in consideration of the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application or deed, issue and allot 1 (One) Equity Shares of Rs. 10/- (Rupees Ten) each, credited as fully paid-up in the capital of Transferee Company as on Record Date for 1 (One) Equity Shares of Rs 10/- (Rupees Ten) each held by the shareholders of Transferor Company.
5.	Name of the Independent Chartered Accountant	Jain & Sultania, Chartered Accountants
6.	Details of Audit Committee	Chairman : Mr. Shambhu Kumar Agarwal Member : Mr. Santosh Lama Member : Mr. Umesh Kumar Kanodia
7.	Recommendation on the Draft Scheme taking into consideration the Valuation Report	Based on the review of the Draft Scheme of Amalgamation between Potential Infra Projects Limited and Mapro Industries Limited and based on Valuation Report dated August 27, 2013 issued by M/s Jain & Sultania, Chartered Accountants, Independent Chartered Accountants & Fairness Opinion Report dated August 28, 2013 issued by M/s Chartered Capital and Investment Limited, the Audit Committee believes that the Exchange ratio of 1:1 (i.e. for every 1 Equity Share of Rs. 10/- each of Potential Infra Projects Limited, 1 New Equity Share of Rs. 10/- of Mapro Industries Limited will be issued) is fair and reasonable.





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8.	Summary of reasons for recommendation	<p>1. The Fair Value of shares of the Transferor Company is Rs. 15.79 per share as per the Valuation Certificate.</p> <p>2. The Fair Value of shares of the Transferee Company is Rs. 5.44 per share as per the Valuation Certificate.</p> <p>In the above circumstances the Exchange ratio as mentioned in Draft Scheme of Arrangement is fair and reasonable.</p>
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To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise.

For MAPRO INDUSTRIES LIMITED

Shambhu Ajamal



CHAIRMAN OF THE AUDIT COMMITTEE

Date: 29th August, 2013.

Place: Mumbai.