

# **FORTUNE INDUSTRIAL RESOURCES LIMITED**

**Regd. Office:-** 25, Bazar Lane, Bengali Market, New Delhi-110001  
Tel. No.: 011-43585000, Fax: 011-43585015, E-mail: [firl.nbfc@gmail.com](mailto:firl.nbfc@gmail.com), Website: [www.firl.co.in](http://www.firl.co.in)  
**CIN:** L51503DL1986PLC024329

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## **REPORT OF AUDIT COMMITTEE OF FORTUNE INDUSTRIAL RESOURCES LIMITED RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION OF INDUS NETLINK LIMITED, CASTLE ROCK ADVISORS PVT LTD, K2 INFOSOLUTIONS PVT LTD WITH FORTUNE INDUSTRIAL RESOURCES LTD.**

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This Report of the Audit Committee is issued in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended. The requirements of the said SEBI circulars, inter alia, make it mandatory for the Audit Committee of the listed company to recommend the draft Scheme of Arrangement.

A meeting of the Audit Committee of Fortune Industrial Resources Limited was held on 22<sup>nd</sup> September, 2020, inter-alia, to consider and recommend the proposed Scheme of Amalgamation of Indus Netlink Limited, Castle Rock Advisors Private Limited, K2 Infosolutions Private Limited ("hereinafter referred to as "the Transferor Companies") with Fortune Industrial Resources Limited (the "Transferee Company"), the Report on Valuation of Shares and Share Swap Ratio for the aforesaid amalgamation and other connected matters.

The aforesaid Audit Committee meeting was attended by the following Committee members:

1. Mr. Pankaj Gupta- Chairman, Audit Committee
2. Mrs. Vickky Kumari, Independent Director
3. Mr. Sanjeev Agrawal, Director

Ms. Bharti, Company Secretary of the Company was also in present as Secretary to the Audit Committee. Mr. Pankaj Gupta, Chairman of the Audit Committee chaired the aforesaid Audit Committee Meeting.

The following documents were placed in the Audit Committee meeting:

1. Report dated 22<sup>nd</sup> September, 2020 on Valuation of Shares and Share Exchange Ratio for the proposed Amalgamation of Indus Netlink Ltd, Castle Rock Advisors Pvt Ltd and K2 Infosolutions Pvt Ltd with Fortune Industrial Resources Ltd, issued by M/s D A B S K & Co., Chartered Accountants;
2. Report dated 22<sup>nd</sup> September, 2020 on Valuation of Shares and Share Exchange Ratio for the proposed Amalgamation of Indus Netlink Ltd, Castle Rock Advisors Pvt Ltd and K2 Infosolutions Pvt Ltd with Fortune Industrial Resources Ltd, issued by Mr. Vikas Gupta, IBBI Registered Valuer;
3. Fairness Opinion dated 22<sup>nd</sup> September, 2020 on the valuation of shares and share swap ratio issued by M/s. SMC Capitals Limited (a Category – I Merchant Banker registered with the SEBI);
4. Draft Scheme of Amalgamation of Indus Netlink Limited, Castle Rock Advisors Private Limited and K2 Infosolutions Private Limited with Fortune Industrial Resources Limited;
5. Statement on Rationale/ Justification for the proposed Amalgamation; and,



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6. Pre-scheme Shareholding Pattern of Indus Netlink Limited, Castle Rock Advisors Private Limited and K2 Infosolutions Private Limited and Pre & Post Scheme Shareholding Pattern of Fortune Industrial Resources Limited.

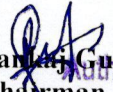
The Committee has reviewed the aforesaid documents and after appraisal of the same, the Audit Committee was satisfied with the valuation and the proposed Share Swap Ratio and finds the suggested swap ratio (as mentioned below), to be fair and reasonable:

1. 100 (one hundred) Equity Share of Rs. 10.00 each of the Transferee Company - Fortune Industrial Resources Limited to, all the Equity Shareholders of the Transferor Co. No. 1 – Indus Netlink Limited for every 712 (seven hundred twelve) Equity Shares of Rs. 10.00 each held in Indus Netlink Limited;
2. 100 (one hundred) Equity Share of Rs. 10.00 each of the Transferee Company - Fortune Industrial Resources Limited to, all the Equity Shareholders of the Transferor Co. No. 2 – Castle Rock Advisors Private Limited for every 44 (forty four) Equity Shares of Rs. 10.00 each held in Castle Rock Advisors Private Limited; and,
3. 100 (one hundred) Equity Share of Rs. 10.00 each of the Transferee Company - Fortune Industrial Resources Limited to, all the Equity Shareholders of the Transferor Co. No. 3 – K2 Infosolutions Private Limited for every 35 (thirty five) Equity Shares of Rs. 10.00 each held in K2 Infosolutions Private Limited.

The Committee also confirmed its concurrence with the rationale for proposed Scheme of Amalgamation of Indus Netlink Limited, Castle Rock Advisors Private Limited and K2 Infosolutions Private Limited with Fortune Industrial Resources Limited.

The Audit Committee unanimously approved the Scheme of Amalgamation of Indus Netlink Limited, Castle Rock Advisors Private Limited and K2 Infosolutions Private Limited with Fortune Industrial Resources Limited and recommended the same for favourable consideration by the Board of Directors of the Company, the Stock Exchanges, SEBI, National Company Law Tribunal and other competent authorities.

**By Order of the Audit Committee of  
Fortune Industrial Resources Limited**  
Fortune Industrial Resources Limited

  
**Pardeep Gupta**  
Chairman  
(Audit Committee)

**Date: 22<sup>nd</sup> September, 2020**

**Place: New Delhi**