

PTL ENTERPRISES LIMITED

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CIN - L25111KL1959PLC009300

REPORT OF THE AUDIT COMMITTEE OF PTL ENTERPRISES LIMITED RECOMMENDING THE DRAFT SCHEME OF ARRANGEMENT.

Members present in the meeting held on 02nd February 2016

1. Mr. U. S Anand
2. Mr. B. K Singh

Chairman
Member

In attendance

Mr. Pradeep Kumar

Secretary

By invitation:

- Mr. Anil Chopra
Mr. Amit Gautam
Mr. Praveen Moon

Chartered Accountant
Chief financial officer
Internal Auditor


1. A meeting of the Audit Committee was held on February 2, 2016 to consider the proposal for corporate restructuring of the Company. Mr. Rajender Chitale made a presentation to the Audit Committee on the proposed corporate restructuring involving demerger of the Medicare and Healthcare Undertaking of the Company. Senior Management team members were present at the meeting to provide information and replies to the queries of the members.
2. The Securities and Exchange Board of India Circular CIR/CFD/CMD/16/2015 dated November 30, 2015 has, amongst other requirements, sought a report from the audit committee of listed companies recommending the draft scheme of arrangement after taking into consideration, *inter alia*, the Share Entitlement Ratio Report (defined below).
3. The audit committee examined the draft scheme of arrangement ("**Scheme**"), providing for demerger of the Medicare and Healthcare Undertaking (as defined in the Scheme) into Artemis Global Life Sciences Limited ("**Resulting Company**"), with effect from the 'Appointed Date' as defined in the Scheme.
4. The Audit Committee *inter alia* has taken into consideration, the Share Entitlement Ratio Report dated **January 14, 2016** prepared by M/s. Chitale & Associates, independent chartered accountant ("**Share Entitlement Ratio Report**") and the Fairness Opinion, dated **January 28, 2016** prepared by **JM Financial Institutional**



Securities Limited (JM Financial), an independent merchant banker, certifying the Share Entitlement Ratio recommended in the Share Entitlement Ratio Report.

5. We note that upon the draft Scheme becoming effective, the percentage beneficial ownership of the shareholders of the Company in the paid equity share capital of the Resulting Company would be identical to their beneficial shareholding in the Company, and accordingly the determination of the share entitlement ratio would be value neutral to the Company's shareholders. We further note that the draft scheme does not adversely affect any of the rights of the shareholders or employees or creditors of the Company.
6. In our opinion, the above Share Entitlement Ratio contained in the Share Entitlement Ratio Report is fair and reasonable.
7. The Audit Committee, based on the information given below, its observations and the discussions, do hereby unanimously recommend the draft Scheme for favourable consideration by the Board of Directors of the Company, the Stock Exchange(s) and Securities Exchange Board of India:
 - Draft Scheme of Arrangement, duly initialled by the Company Secretary of the Company for the purpose of identification;
 - Share Entitlement Ratio Report dated **January 14, 2016** prepared by the M/s. Chitale & Associates, Independent Chartered Accountant; and
 - Fairness Opinion dated **January 28, 2016** prepared by **JM Financial**, an Independent Merchant Banker providing the Fairness Opinion on the Share Entitlement Ratio recommended in the Share Entitlement Ratio on Report prepared by Chitale & Associates
 - Certificate from H.N. Mehta, Chartered Accountant, the Statutory Auditor of the Company, regarding the accounting treatment as specified under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

For and on behalf of the Audit Committee of PTL Enterprises Limited


Mr. U. S ANAND
Chairman, Audit Committee

Place: Gurgaon
Date: 02.02.2016

