

POTENTIAL INVESTMENTS AND FINANCE LIMITED

Registered Office: A-3, NDSE, 3rd Floor, Part-I, New Delhi - 110049;

Tel. No. 011-41070148, Fax No.: 011-41070148,

E-mail Id: info@potentialindia.net, Website: www.potentialindia.net

CIN: L74900DL1983PLC014972

Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Shareholders of the M/s. Potential Investments and Finance Limited ("Target Company"/ "PIFL") by Mr. Saket Agarwal (Hereinafter referred to as "Acquirer") under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

| Sr. No. | Particulars | Report |
|---------|---|---|
| 1. | Date | April 11, 2016 |
| 2. | Name of the Target Company (TC) | Potential Investments and Finance Limited |
| 3. | Details of the Offer pertaining to TC | Open Offer to acquire 4,810,000 fully paid up equity shares representing 26.00% of the present issued, subscribed and paid-up equity share capital of the Target Company at a price of Rs. 14.00/- per share of face value of Rs. 2/- per share payable in cash. |
| 4. | Name of the Acquirer | Mr. Saket Agarwal |
| 5. | Name of the Manager to the offer | Corporate Professionals Capital Private Limited |
| 6. | Members of the Committee of Independent Directors (Please indicate the chairperson of the Committee separately) | Mr. Rajeev Kohli - Chairperson; Mr. Bharat Bhushan Sahny - Member; |
| 7. | IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any | IDC Members are directors without any shareholding in the company. |
| 8. | Trading in the Equity shares/other securities of the TC by IDC Members | None of the IDC Members have done any trading in Equity Shares/other securities of the TC since their appointment. |
| 9. | IDC Member's relationship with the Acquirer (Director, Equity shares owned, any other contract / relationship), if any | None of the IDC Members have any relationship with the Acquirer. |
| 10. | Trading in the Equity shares/other securities of the acquirer by IDC Members | None of the IDC Members have done any trading in Equity Shares/other securities of the Acquirer since their appointment. |
| 11. | Recommendation on the Open offer, as to whether the offer is fair and reasonable | The IDC Members believes that the Open Offer is fair and reasonable. |
| 12. | Summary of reasons for recommendation (IDC may also invite attention to any other place, e.g. company's website, where its detailed recommendations along with written advice of the independent adviser, if any can be seen by the shareholder) | IDC recommends acceptance of Open Offer given by Acquirer and believes that the Offer Price of Rs. 14.00/- per share offered by the Acquirer is fair and reasonable in the lights of following:- 1. The Open Offer is made pursuant to Share Purchase Agreement (SPA) entered into between the Acquirer and promoters of Target Company. The price per share paid under the SPA is Rs. 12.00/- per Share. 2. The Equity Shares of the Target Company are frequently traded shares within the meaning of explanation provided in Regulation 2(j) of SEBI (SAST) Regulations, 2011 and the offer prices is calculated considering the parameters as specified under Regulation 8 of SEBI (SAST) Regulation, 2011. |
| 13. | Details of Independent Advisors, if any. | Nil |
| 14. | Any other matter(s) to be highlighted | Nil |

"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, and includes all the information required to be disclosed by the TC under the Takeover Code."

For Potential Investments and Finance Limited
Sd/-
(Manoj Gupta)

Managing Director
DIN: 00076234

Place: New Delhi
Date: April 11, 2016

Address: 143, Jagriti Enclave, Delhi-110092