

Report of the Audit Committee of Nihar Info Global Limited
On the Scheme of Arrangement between the Company and Its Shareholders and
Unsecured Lenders

Members:

Jagadeeswara Rao Reddy	Chairman
BSN Suryanarayana	Member
Sudhakar Joseph Pitta	Member
B. Divyesh Nihar Boda	Member

This Report of Audit Committee is issued in terms of SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4th February 2013 revising the existing requirements for filing the draft Scheme of Arrangement (Scheme) with the Stock Exchanges under Clause 24(f) of the Listing Agreement. SEBI has amongst other requirements sought a report from the Audit Committee of the listed entity recommending the draft scheme taking into consideration, inter alia, the valuation report.

In view of the above mentioned Circular, members of the Audit Committee of the Company discussed and approved the proposed Scheme of Arrangement at the Audit Committee Meeting held on 7th February 2013 and have made this report after considering the following necessary documents:

- Scheme of Arrangement
- Certificate obtained from the Statutory auditors of the Company on the accounting treatment prescribed in the Scheme
- Net Worth certificate, pre and post scheme, obtained from the statutory auditors of the Company

The Committee took note of the fact that a Valuation Report is not applicable since there is no merger, amalgamation or acquisition of the Company. Hence no shares of the Company will be transferred or exchanged for any purpose.



This report of the Audit Committee is made in order to comply with the requirements of the Circular.

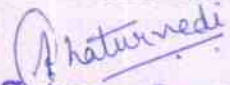
The Audit Committee recommends the draft Scheme which has also been approved by the Board of Directors of the Company on 11th October 2012 for favorable consideration by the Stock Exchange and Securities and Exchange Board of India.

(Sd/-)

Jagadeeswara Rao Reddy
Chairman

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FOR NIHAR INFO GLOBAL LTD


Company Secretary