



FAIRNESS OPINION

DHANUKA AGRITECH LIMITED

October, 2014



Corporate Professionals
WHERE EXCELLENCE IS LAW

Strictly Private & Confidential

Ref. No: CPC/MB/037/2014-15

Dated 04.10.2014

SEBI Reg. No: INM000011435

To,

The Board of Directors

Dhanuka Agritech Limited

AND

A.M.Bros. Fintrade Private Limited

AND

Dhanuka Finvest Private Limited

Subject: Fairness Opinion on the Share Exchange Ratio for the Proposed Scheme of Amalgamation of A.M.Bros. Fintrade Private Limited and Dhanuka Finvest Private Limited with Dhanuka Agritech Limited.

Dear Sir,

We refer to our appointment for the purpose of arriving at an opinion on the share exchange ratio for the proposed scheme of amalgamation which provides for amalgamation of A.M.Bros. Fintrade Private Limited (hereinafter referred to as "AMB") and Dhanuka Finvest Private Limited (hereinafter referred to as "DFPL") with Dhanuka Agritech Limited (hereinafter referred to as "DAL") on a going concern basis, pursuant to the provisions of Section 391-394 and other applicable provisions of the Companies Act, 1956 and/or Rules/Regulations made there under.

In terms of our engagement letter, we are enclosing our opinion along with this letter. Please note that this is just an opinion on the captioned subject on the basis of the documents submitted to us and does not constitute our independent analysis. All comments as contained herein must be read in conjunction with the Caveats to this opinion.

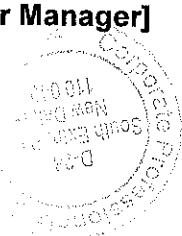
The opinion is confidential and has been prepared exclusively for the management of Dhanuka Agritech Limited. It should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of Corporate Professionals Capital Private Limited, such consent will only be given after full consideration of the circumstance at the time. We are however aware that the conclusion in this report may be used for the purpose of certain statutory disclosures and we provide consent for the same. Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully,

For Corporate Professionals Capital Private Limited


Maneesh Srivastava

[Senior Manager]



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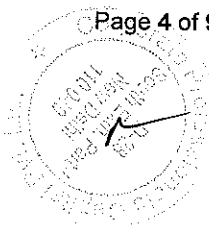
CONTEXT AND BACKGROUND

1. We understand that Dhanuka Agritech Limited is listed at the BSE and NSE in India. The proposed scheme of amalgamation provides for amalgamation of A.M.Bros. Fintrade Private Limited (hereinafter referred to as "AMB") and Dhanuka Finvest Private Limited (hereinafter referred to as "DFPL") with Dhanuka Agritech Limited (hereinafter referred to as "DAL") on a going concern basis, pursuant to the provisions of Section 391-394 and other applicable provisions of the Companies Act, 1956 and/or Rules/Regulations made there under.
2. In accordance with clause 24 (h) of the Listing Agreement and SEBI Circular No CIR/CFDDIL/5/2013, dated February 04, 2013 as clarified by SEBI Circular No CIR/CFDDIL/8/2013 dated May 21, 2013 as applicable to the listed Companies, the listed Company as well as the unlisted Companies getting merged shall each be required to appoint an independent merchant banker for giving a "fairness opinion" on the valuation of assets / shares done by the Valuers for the Company and unlisted companies.

Clause 24(h) reads as below-

"The company agrees that in the explanatory statement forwarded by it to the shareholders u/s 393 or accompanying a proposed resolution to be passed u/s 100 of the Companies Act, it shall disclose the pre and post-arrangement or amalgamation (expected) capital structure and shareholding pattern, and the "fairness opinion" obtained from an Independent merchant bankers on valuation of assets / shares done by the valuer for the company and unlisted company."

3. With reference to the above, Corporate Professionals Capital Private Limited has been appointed as a Merchant Bankers by Dhanuka Agritech Ltd to provide the "fairness opinion" in accordance with the clause 24 of the Listing Agreement.



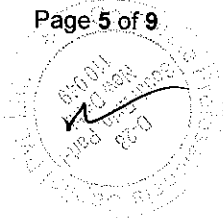
BRIEF ABOUT COMPANIES

Dhanuka Agritech Limited ("DAL") is a company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at 861-862, Dhanuka House, Joshi Road, Karol Bagh, New Delhi - 110054. The company is listed at the BSE & NSE stock exchange and is engaged in business of formulation and marketing of plant protection chemical products.

A.M.Bros.Fintrade Private Limited ('AMB') is a Company incorporated under the Companies Act, 1956 having its Registered Office at 31-B/12, Rajpur Road, Civil Lines, New Delhi - 110054. "AMB" holds 11.06% of equity shares capital of "DAL" and it is not listed on any stock exchange.

Dhanuka Finvest Private Limited ("DFPL"), a Company incorporated under the Companies Act, 1956 having its Registered Office at 861-862, Dhanuka House, Joshi Road, Karol Bagh, New Delhi - 110054. "DFPL" holds 61.89% of equity shares capital of "DAL" and it is not listed on any stock exchange.

The companies "AMB" and "DFPL" have no other activities other than investment in securities of "DAL".



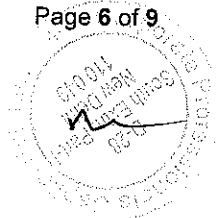
KEY FACTS & CERTAIN EXTRACT OF THE SCHEME

Based on our discussion with the key management personnel of the companies under the Scheme of Amalgamation, we understand that AMB is a part of the promoter group of DAL and as on the Valuation Date holds 55,33,350 equity shares of DAL constituting 11.06% of the fully paid up equity share capital of DAL

DFPL is the holding company of DAL and as on valuation date holds 3,09,58,890 equity shares of DAL constituting 61.89% of the fully paid up equity share capital of DAL.

Pursuant to the proposed amalgamation of DFPL and AMB with DAL, the Individual promoters and the Trusts of individual promoters (who are existing shareholders of the transferor company) would directly hold shares in DAL and there would be no holding company of DAL. There would be no change in the total promoter's shareholding of DAL. The promoters would continue to hold the same percentage of shares in DAL, pre and post the amalgamation of DFPL and AMB with DAL.

On amalgamation of the Amalgamating Companies into the Amalgamated Company, the Amalgamated Company shall issue and allot Equity Shares to Equity Shareholders of the Amalgamating Companies as per clause 5.1.1, 5.1.2 and 5.1.3 of the scheme.

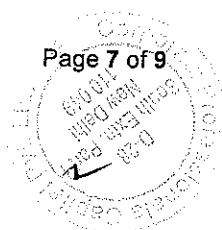


VALUER ANALYSIS

As per the Valuer Report dated 1st, October 2014 the valuer has recommended following exchange ratio –

- i. 55,33,350 fully paid up equity shares of face value of Rs 2/- each of DAL to be issued and allotted to shareholders of AMB in the proportion of the number of equity shares held by the shareholders in AMB.
- ii. 3,09,58,890 fully paid up equity shares of face value of Rs.2/- each of DAL to be issued and allotted to shareholders of DFPL in the proportion of the number of equity shares held by the shareholders in DFPL.

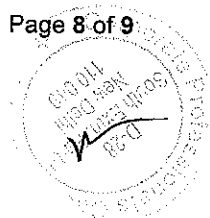
As per valuer analysis the above ratio is fair considering that all the shareholders of AMB and DFPL will, upon amalgamation, remain ultimate owner of DAL in the same ratio (inter se) as before amalgamation.



CONCLUSION & OPINION

- As represented by the management the amalgamating companies AMB and DFPL have no other activities other than investment in securities of DAL, so the share exchange ratio pursuant to Amalgamation as recommended by J.N.Sharma & Co, Chartered Accountants is fair as all the shareholders of AMB and DFPL will, upon amalgamation, remain ultimate beneficial owner of DAL in the same ratio (inter se) as before amalgamation.
- The pre and post shareholding pattern of the Public Listed Company i.e. Dhanuka Agritech Limited remains unchanged.

"Subject to above read with the caveats as detailed later, we as a Merchant Banker hereby certify that pursuant to Clause 24 of the listing agreement and SEBI Circular No CIR/CFDDIL/5/2013, dated February 04, 2013 as clarified by SEBI Circular No CIR/CFDDIL/8/2013 dated may 21, 2013 the share exchange ratio suggested by the valuer in its valuation report dated 1st ,October 2014 is fair and fair reasonable from a financial and commercial point of view and it is not effecting the right of any equity shareholders".



CAVEATS

- We wish to emphasize that, we have relied on explanations and information provided by the respective key managements, and other public available information while verifying the valuation report of the valuer. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.
- We have not made an appraisal or independent valuation of any of the assets or liabilities of the companies and have not conducted an audit or due diligence or reviewed/validated the financial data except what is provided to us by the Companies.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in this scheme of arrangement, which might be relevant in the context of the transaction and which a wider scope might uncover.
- We have no present or planned future interest in Dhanuka Agritech Limited or in it's any of its subsidiaries like A.M.Bros. Fintrade Private Limited & Dhanuka Finvest Private Limited and the fee payable for this opinion is not contingent upon the opinion reported herein.
- Our Fairness Opinion should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction.
- The Opinion contained herein is not Intended to represent at any time other than the date that is specifically stated in this Report. This opinion is issued on the understanding that the Management of Dhanuka Agritech Limited the amalgamated company and the management of amalgamating companies has drawn our attention to all matters of which they are aware, which may have an impact on our opinion up to the date of signature. We have no responsibility to update this report for events and circumstances occurring after the date of this Report.

