

STRICTLY PRIVATE & CONFIDENTIAL

Dated: 9th November 2016

The Board of Directors
Valiant Organics Limited
109 Udyog Kshetra, 1st Floor
Mulund-Goregaon Link Road
Mulund West, Mumbai
PIN - 400080

Dear Sirs,

Re.: Proposed amalgamation of Abhilasha Tex-Chem Limited ("Abhilasha" or the "Transferor Company") with Valiant Organics Limited ("Valiant" or the "Transferee Company"). This has reference to the request made by the management of Valiant Organics Limited (hereinafter referred to as "Valiant" or "Company") in connection with fairness opinion on the valuation exercise for proposed merger of Abhilasha Tex-Chem Limited into Valiant Organics Limited as embodied in the Scheme of Amalgamation as undertaken by GBCA & Associates (Chartered Accountants) (hereinafter referred to as "the Valuer") to recommend share exchange ratio of equity shares for proposed merger.

1. PURPOSE OF VALUATION UNDERTAKEN BY THE VALUERS

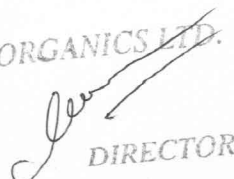
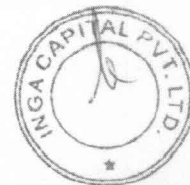
- 1.1 The Board of Directors of Abhilasha and Valiant are considering the proposal of merger of Abhilasha into Valiant at their meeting on 9th November 2016.
- 1.2 In this regard, GBCA & Associates (Chartered Accountants) were appointed by the Transferor and Transferee Companies to carry out the relative valuation with a view to recommend a ratio of exchange of equity shares in the event of merger of Abhilasha into Valiant.
- 1.3 The information contained herein and our report is confidential. It is intended only for the sole use of captioned purpose including for the purpose of obtaining requisite approvals as per regulation 37 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations 2015') read with SEBI Circular CIR/CFD/CMD/16/2015, dated November 30, 2015.

2. BRIEF BACKGROUND OF COMPANIES**2.1 ABHILASHA TEX-CHEM LIMITED**

- 2.1.1 Abhilasha, is a public limited company incorporated on 12th June 1989 under the Companies Act, 1956. It is presently having its Registered Office at Plot No M-7, Village Pamtebhi, Tarapur 401506. Abhilasha is engaged in the business of manufacturing Para Nitro Aniline for

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own sale as well on job work basis. The company has a manufacturing facility at Tarapur with an installed capacity of 5700 MTPA. Abhilasha also has certain surplus manufacturing facility which is presently given on lease basis.

2.2 VALIANT ORGANICS LIMITED

- 2.2.1 Valiant is a public limited company incorporated on 16th February 2005 under the Companies Act, 1956 having its registered office at 109 Udyog Kshetra, 1st Floor, Mulund-Goregaon Link Road, Mulund (West), Mumbai 400080. Valiant is mainly engaged in the business of manufacturing and marketing of different types of Chlorophenol. It has a Manufacturing facility at Sarigam with an Installed capacity of 4800 MTPA.
- 2.2.2 Valiant's equity shares are listed in the SME Platform of the BSE Limited.

3. SOURCES OF INFORMATION

For the purposes of fairness opinion, we have relied upon the following sources of information:

- (a) Draft Scheme of Amalgamation u/s. 391 to 394 of the Companies Act, 1956 (and to the extent applicable provisions of the Companies Act, 2013)
- (b) Certified Valuation Report and Workings dated November 9, 2016, issued by GBCA & Associates. (Chartered Accountants)
- (c) Certified Copy of Certificate of Incorporation and Memorandum and Articles of Association of Abhilasha and Valiant.
- (d) Audited Financials of Abhilasha and Valiant for the financial years ended March 31, 2015, and March 31, 2016
- (e) Auditor reviewed financial statements of Abhilasha and Valiant for the quarter ended June 30, 2016.
- (f) Other such information and explanations as were required and which have been provided by GBCA & Associates (Chartered Accountants)

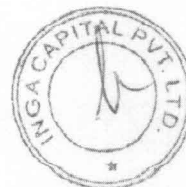
4. EXCLUSIONS AND LIMITATIONS

- 4.1 Conclusions reached by us are dependent on the information provided to us being complete & accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information

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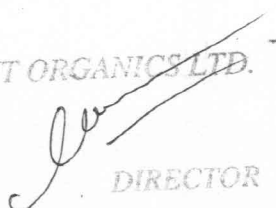


used during the course of our work. We have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to the date of our certificate.

- 4.2 No investigation of the Transferor and Transferee Companies' claim to title of assets has been made by us for the purpose of this exercise and the Transferor and Transferee Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the account. Therefore, no responsibility is assumed for matters of a legal nature.
- 4.3 This certificate is prepared with a limited purpose / scope as identified / stated earlier and will be confidential being for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence or discussions with any person, except to whom it is issued and to those who are involved in this transaction and for various approvals for this transaction.
- 4.4 Our opinion is not, nor should it be construed as our opining or certifying the compliance of proposed merger of Abhilasha and Valiant with the provision of any law including Companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon. Our opinion also does not address any matters otherwise than as expressly stated herein, including but not limited to matters such as corporate governance matters, shareholder rights or any other equitable considerations. We have also not opined on the fairness of any terms and conditions of the scheme other than the fairness, from financial point of view, of the Share Exchange Ratio
- 4.5 We do not express any opinion as to the price at which shares of the Company may trade at any time, including subsequent to the date of this opinion. In rendering our opinion, we have assumed, that the scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary Regulatory or third-party approvals for the Scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the Transferor and Transferee Companies..
- 4.6 The Fairness Opinion is addressed only to the Board of Directors of the Company and is for the purpose of submission to the Stock Exchanges under the SEBI Circular. Further, the Fairness Opinion may be disclosed on the website of the Company and the Stock Exchanges

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and also be made part of the explanatory statement to be circulated the shareholders and/or creditors of the Company. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without Inga Capital's prior written consent. The Fairness Opinion should be read in totality and not in parts.

4.7 In no circumstances however, will Inga Capital or its directors, officers, employees and controlling persons of Inga Capital accept any responsibility or liability including any pecuniary or financial liability to any third party.

4.8 Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then we will not be liable for any consequences thereof. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

5. VALUATION METHODOLOGY ADOPTED BY THE VALUER

For the purposes of valuation the Valuer has adopted the following approaches, viz.

- (a) Underlying Asset Approach
- (b) Income Approach
- (c) Market Price Approach.

to the extent applicable and relevant for the Transferor Company and the Transferee Company.

6. CONCLUSION

6.1 We have reviewed the basis for determination of ratio as mentioned above and underlining assumptions adopted, for the purposes of recommending a ratio of exchange.

6.2 On the basis of the foregoing points read with regulation 37 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations 2015') and in terms of SEBI Circular CIR/CFD/CMD/16/2015, dated November 30, 2015, we are of the opinion that the proposed ratio of exchange in the event of merger of Abhilasha into Valiant recommended by GBCA & Associates (Chartered Accountants) is fair & reasonable which is as under:

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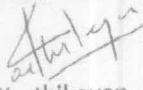


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365 (Three Hundred and Sixty Five) equity shares of Valiant of INR 10 each fully paid up for every 100 (Hundred) equity shares of Abhilasha of INR 100 each fully paid up.

Thanking you,
Yours faithfully,

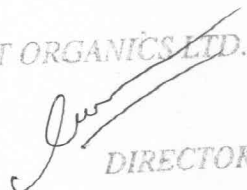
For Inga Capital Private Limited


S. Karthikeyan
Director
Place: Mumbai



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