



May 26<sup>th</sup>, 2017

To,  
The Board of Directors,  
Indo Amines Limited,  
Plot No-W-44, Phase-II,  
MIDC, Dombivli (East),

To,  
The Board of Directors,  
Sigma Solvents Private Limited,  
1502, Adonis, Raheja Acropolis II,  
Behind Telecom Factory,  
Deonar, Mumbai- 400088

Dear Sirs,

**Sub: Revision in recommendation of Share Exchange Ratio for the proposed Amalgamation of Classic Oil Limited and Sigma Solvents Private Limited with Indo Amines Limited.**

With reference to the above-mentioned engagement letters dated 9<sup>th</sup> February 2017 wherein Indo Amines Limited ("IAL") (CIN L99999MH1992PLC070022) and Sigma Solvents Private Limited ("SSPL") (CIN U24100MH1988PTC047155) (collectively referred to as "Clients", "the Companies" or "you") have requested P. M. Dalvi & Co. Chartered Accountants (hereinafter referred to as 'PMD', "we" or "us") to recommend a share exchange ratio in connection with the proposed amalgamation of Classic Oil Limited ("COL"), wholly owned subsidiary of IAL and SSPL with IAL. Further, COL, being a wholly owned subsidiary of IAL, would also be the beneficiary to this Valuation Report.

#### **1. SCOPE AND PURPOSE OF THE VALUATION REPORT:**

The purpose of this valuation / report is to provide the Board of Directors / Management of IAL and SSPL with the element / points / basis that will aid in determination of Share Exchange Ratio to be proposed for the merger of IAL and SSPL "the companies".

The valuation has been done taking into account the current and future prospects of the entities on an independent and standalone basis, without taking any potential synergies from the merger into account.

We understand that the respective Board of Directors of the Companies proposes to amalgamate COL and SSPL with IAL with effect from the Appointed Date of 1<sup>st</sup> January, 2017. This is proposed to be achieved by way of a Scheme of Amalgamation under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and/ or Companies Act, 1956. Under Proposed Scheme of Amalgamation, as consideration for their equity shares in SSPL, the shareholders of SSPL will be issued equity shares of IAL. Further, with reference to the information and explanation provided by the



Management, we understand that COL is Wholly Owned Subsidiary of IAL. Accordingly, all the equity Shares of COL held by IAL shall be cancelled and deemed to be cancelled without any further act or deed. Moreover, IAL shall not be required to issue or allot any new shares to the shareholders of COL. Hereafter, taking into consideration of above facts, we are of the view that there is no obligation to carry out valuation of COL as there is an amalgamation of wholly owned subsidiary with its parent Company i.e. IAL.

We have been requested by the respective Board of Directors of the Companies to submit a report recommending a share exchange ratio in connection with the Transaction ("the Valuation Report"). This Valuation Report is to be placed before the audit committees/ Board of Directors of the Companies as per SEBI Circular CIR/CFD/DIL/5/2013 dated 4<sup>th</sup> February, 2013, as amended by CIR/CFD/DIL/8/2013 dated 21<sup>st</sup> May, 2013 and to the extent mandatorily required under applicable laws of India, may be produced before judicial, regulatory or government authorities, in connection with the Transaction.

Considering Circular No. CFD/DIL3/CIR/2017/26 issued by SEBI dated March 23, 2017 clarifying "Relevant Date" for pricing of Equity Shares of Listed Company. In view of this clarification, Company has requested to change the relevant date for pricing from 01<sup>st</sup> January, 2017 to 26<sup>th</sup> May, 2017 being the Board Meeting date on which the revised draft Scheme will be approved.

We have carried out a relative valuation of the equity shares of IAL and SSPL as of 25<sup>th</sup> May, 2017 ("Revised Valuation Date") with a view to arrive at the Share Exchange Ratio of IAL and SSPL for the proposed Amalgamation.

This Revised Valuation Report is subject to the Scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the Revised Valuation Report is to read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

## 2. SOURCES OF INFORMATION:

- a) Audited financial Statements of IAL & SSPL for the years ended to 31<sup>st</sup> March, 14 to 31<sup>st</sup> March, 2016;
- b) Limited Reviewed financial statements of IAL for the period ended 31<sup>st</sup> December, 2016;
- c) Unaudited Financial Statements of SSPL for the period ended 31<sup>st</sup> March, 2017;
- d) Audited financial Statements of SSPL for the period ended 31<sup>st</sup> December, 2016;
- e) Revised Draft Scheme of Amalgamation;
- f) Other information, explanations and representations that were required and provided by the management;



- g) For our analysis, we have relied on published and secondary sources of data, whether or not made available by the Clients. We have not independently verified the accuracy or timeliness of the same; and
- h) Such other analysis, review and enquiries, as we considered necessary.

We have also obtained explanations and information considered reasonably necessary for our exercise from the executives and representatives of the Companies. The Companies have been provided with the opportunity to review the draft Valuation Report (excluding the recommended Share Exchange Ratio) for this engagement to make sure that factual inaccuracies are avoided in our final Valuation Report.

### 3. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS:

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The service does not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related service that may otherwise be provided by us or our affiliates.

This Revised Valuation Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; and (ii) the date of this Valuation Report and (iii) are based on the balance sheet of the companies as at 31<sup>st</sup> December, 2016. The management has represented that IAL has acquired 100% stake in COL on 17<sup>th</sup> May, 2016 and the business activities of the Companies have been carried out in the normal and ordinary course between 31<sup>st</sup> March, 2016 and the Valuation Date. A valuation of this nature is necessarily based on prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect may this Valuation Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Valuation Report.

In the course of our valuation, we have relied on the financial data, projections and information made available to us by the Company both written and verbal. Our conclusions are dependent on such information being accurate and complete in all material respects. Although we have reviewed this information, the scope of our work will not enable us to accept responsibility for the accuracy and completeness of this information. We have not conducted an independent audit, due diligence review or validation of such information. Our report does not constitute a recommendation as to whether or not any party should carry out a transaction vis-a-vis the Companies.

Valuation analysis and result are specific to the purpose of valuation and are based on the projected financial data provided to us by the Companies/ Management of the Companies. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.



The valuation analysis and result are substantively based only on information contained in this report and are governed by the concept of materiality. Valuation analysis and result are specific to the valuation date as mentioned in this report. A valuation of this nature involves consideration of various factors including those impacted by prevailing economic trends in general and industry trends in particular.

Valuation results are, to a significant extent, subject to continuance of current trends beyond the date of the report. We, however, have no obligation to update this Report for events, trends or transactions relating to the Companies or the market/economy in general and occurring subsequent to the date of this Report.

We have neither checked nor are we responsible for arithmetical accuracy / logical consistency of any financial model or business plan provided by the Companies, and used in our valuation analysis. The terms of our engagement were such that we were entitled to rely upon the information provided by the Companies, without detailed inquiry. Also, we have been given to understand by the Companies that it has made sure that no relevant and material factors have been omitted or concealed or given inaccurately by people assigned to provide information and clarifications to us for this exercise and that it has checked out relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

The Companies has indicated to us that it has understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the above information furnished by the Companies, and their impact on the present exercise. Also, we assume no responsibility for technical information furnished by the Companies, if any, and believed it to be reliable. We express no opinion on the achievability of the forecasts given to us.

The assumptions used in their preparation, as we have been explained, are based on the management's present expectation of both - the most likely set of future business/regulatory events and circumstances and the management's course of action related to them. It is usually the case that some events and circumstances do not occur as expected or are not anticipated. Therefore, actual results during the forecast period may differ from the forecast and such differences may be material.

We understand that this Report is required to be used exclusively by Indo Amies Limited for the purposes of the proposed allotment of share as mentioned in para above and hence neither this Revised Valuation Report nor its contents may be disclosed to any third party or referred to/quoted in any statement except for the purpose mentioned herein or where specifically required under any Law in force.

#### **4. BACKGROUND OF THE COMPANIES:**

##### **A. Indo Amies Limited**



Indo Amines Limited was incorporated on 17<sup>th</sup> December 1992 as a Public Limited Company, limited by shares under the provisions of The Companies Act, 1956 bearing Corporate Identity No. L99999MH1992PLC070022 and having its registered office at W-44, MIDC, Phase II, MIDC, Dombivli, East Thane - 421203. The Company is inter alias engaged in the business of manufacturing and marketing of organic chemicals, fine chemicals, specialty chemicals for polymers and inorganic chemicals, chemical intermediates for pharmaceuticals. The equity shares of IAL are listed on BSE Limited.

The shareholding pattern of IAL as at 31<sup>st</sup> December, 2016 is as follows:

Category	No. of Shares held	% shareholding
Promoters and Promoter Group	2,43,08,978	73.85
Public	86,07,802	26.15
<b>Total</b>	<b>3,29,16,780</b>	<b>100.00</b>

#### B. Sigma Solvents Private Limited

Sigma Solvent Private Limited was incorporated on 26<sup>th</sup> April 1988 as a Private Limited Company, limited by shares under the provisions of The Companies Act, 1956 bearing Corporate Identity No. U24100MH1988PTC047155 and having its registered office at 1502, Adonis Raheja Acropolis II behind Telecom Factory, Deonar Mumbai - 400088. The Company is inter alias engaged in the business of manufacturers of and dealers in chemical products as wholesalers, retail chemists and druggist, analytical chemist, dry-salters, importers, exporters and manufacturers of and dealers in heavy chemicals, acids, drugs etc.

The shareholding pattern of SSPL as at 31<sup>st</sup> December, 2016 is as follows:

Name of the Shareholders	No. of Shares held	% Shareholding
Salim D Memon	234520	19.54
Sanam S Memon	231080	19.26
Vijay B. Palkar	180000	15.00
Bharati V. Palkar	180000	15.00
Rahul V. Palkar	180000	15.00
Benazir S Memon	108160	9.01
Sana S. Memon	43640	3.64
Saad S. Memon	42600	3.55
<b>Total</b>	<b>12,00,000</b>	<b>100.00</b>

#### C. Classic Oil Limited

Classic Oil Limited was originally incorporated under the name "Classic Oil Private Limited" on 14<sup>th</sup> January, 1987 as a Private Limited Company under the provision of the Companies Act, 1956 and the said name was changed to "Classic



Oil Limited' vide certificate dated 17<sup>th</sup> July, 1992 as a Public Company, Limited by shares, incorporated under Corporate Identity No: U99999MH1987PLC042225 and having its registered office at A7 Kasturi Vihar, Near Venkatesh Petrol Pump, Kalyan Thane - 421 304 and IAL acquired 100% shares of it from its erstwhile promoter to revive its operations and is in process of erecting new plant for manufacturing chemicals

## 5. APPROACH - BASIS OF AMALGAMATION

### Methodologies for valuation

#### a) Underlying Assets Method:

The Underlying Assets Method represents the value of the shares with reference to the historical cost of assets and liabilities of the Company on the valuation date. Such value generally represents the support value in case of profit making business.

#### b) Future Earnings Capitalization Method:

The Future Earnings Capitalisation Method involves determination of the maintainable earnings level of an entity from its normal operations. These earnings are then capitalized at a rate, which in the opinion of the valuer, combines an adequate expectation of reward from enterprise and risk to arrive at the business value. This method is based on the earnings capacity of the business and is consistent with the "Going Concern" basis applicable to continuing business entities.

#### c) Market Price Method:

The Market Price Method evaluates the value based on the prices quoted on the Stock exchange. An appropriate average of the quoted prices is considered as indicative of the value perceived by shareholders of a Company under free market conditions.

Such valuations rely on the past transactions in the equity of a Company as an indicator of the value of a Company. Such method is particularly used to value listed companies whose shares are substantially traded on a stock exchange.

#### d) Discounted Cash Flows:

The Discounted Cash Flow ("DCF") Method values the business of a company by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are discounted by expected return on capital. The present value of the free cash flow during the explicit period and the perpetuity value indicate the value of the business.

### Recommendation for Valuation of Equity shares of IAL:



Valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors e.g. present and prospective competition, yield on comparative securities and market sentiments etc. which are not evident from face of balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions, for example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. Vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with the same approved by Hon'ble Supreme Court of India in the case reported in 176 ITR 417:

"If the assets takes the form of fully paid up shares, the valuation will take into account not only the terms of agreement but a number of other factors, such as prospective yield, Marketability, the general outlook for the type of business of the company which has allotted the shares, the result of contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical Certainty is not demanded, nor needed is it possible".

Since IAL is a listed Company, in our opinion the market price at which transactions take place between informed buyers and informed sellers at arm's length, is true indicator of the value of shares and therefore we have adopted MP method for determining the value of equity shares of IAL and as per the SEBI (Issue of Capital and Disclosure Requirements)(Amendment) Regulations, 2017 dated 15<sup>th</sup> February, 2017 read with Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017 when shares are allotted to a select group of shareholders or shareholders of unlisted companies pursuant to such Scheme; the "relevant date" for the purpose of computing pricing shall be the date of Board meeting in which the draft Scheme is approved.

The pricing of equity shares as on 25<sup>th</sup> May, 2017 should be done on the following basis -

Not less than higher of the following:

- (a) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
- (b) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.

The resultant value per share works out to **Rs. 80.22/- (Rupees Eighty and Twenty Two Paise Only) per share. (Refer Annexure A)**

**Recommendation for Valuation of Shares of SSPL:**



Valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors e.g. present and prospective competition, yield on comparative securities and market sentiments etc. which are not evident from face of balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions, for example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. Vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with the same approved by Hon'ble Supreme Court of India in the case reported in 176 ITR 417:

"If the assets takes the form of fully paid up shares, the valuation will take into account not only the terms of agreement but a number of other factors, such as prospective yield, Marketability, the general outlook for the type of business of the company which has allotted the shares, the result of contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical Certainty is not demanded, nor needed is it possible".

Ordinarily, we would use an amalgam of two or more of the methods of valuation stated above.

However, for the purposes of the Valuation we are unable to use:

- Underlying Assets Method: In the past the SSPL has not operated at its full capacity and not earned the profit as per industry norms and therefore this method would not accurately represent the fair value of the Company;
- Discounted Cash Flow method: This method is more appropriate in case of a newbusiness and as the SSPL is already into business and SSPL has not operated at its full capacity and not earned profit as per industry norms in the past, we have not applied this method; and
- Market Based Valuation Method: since the equity shares are not listed on a stock exchange.

Accordingly, for the purpose of valuation of shares of SSPL as on 25<sup>th</sup> May, 2017, we have used the Earnings Capitalisation Method, being the most appropriate methodology applicable.

The summary of financial projections and workings has been attached in Annexure "B" to this valuation report. The financial projections have been projected by the management for the financial years 2016-17 to 2020-21.





We have applied capitalisation rate at 10.5% considering the present interest rate and the risk associated with the business.

The resultant value per share works out to Rs. 29.23/- (Rupees Twenty-Nine and Twenty Three paise only) per share. (Refer Annexure B)

#### 6. BASIS OF AMALGAMATION:

The basis of amalgamation of COL and SSPL with IAL would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. We have arrived to the value per equity share of SSPL and IAL by using the Future Earnings Capitalisation Method and Market Price Method respectively.

In view of the above, and on consideration of the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the Share Exchange Ratio of the Equity Shares for the Amalgamation of SSPL into IAL at 09 (Nine) equity shares of IAL of Rs. 10/- (Rupees Ten Only) each fully paid up for every 25 (Twenty-Five) equity shares of SSPL of Rs. 10/- (Rupees Ten Only) each fully paid-up.

Thanking You  
Yours truly,

For P. M. Dalvi & Co.  
Chartered Accountants  
Firm Reg. No. 102065W



Partner - Jaiprakash R. Chauhan  
Mem. No. 118205  
Mumbai, May 26<sup>th</sup>, 2017.



# P. M. DALVI & CO.

CHARTERED ACCOUNTANTS

10, Anand Bhuvan, D. V. Deshpande Marg, Shivaji Park, Dadar (W), Mumbai - 400 028.  
Contact Nos: 91-22-24466225, 91-9324353365 Email: jrchauhan@capmd.co.in

Company Name : **INDO AMINES LTD**

Relevant Date : **26-May-2017**

Scrp Code : **524648**

Average Price (2 weeks) : **80.23**

Average Price (26 weeks) : **78.59**

Minimum Issue Price : **80.23**

Average price of Weekly High and Low of the Weighted Average Prices quoted on the **BSE**.  
2 Weeks Average Price : **80.23**

Weeks	From	To	High	Low	Average	# Trading days	
						BSE	NSE
25	12-May-2017	18-May-2017	82.27	80.52	81.40	5	0
26	19-May-2017	25-May-2017	80.72	77.38	79.05	5	0
Average Price of 2 weeks					80.23	10	0

26 Weeks Average Price : **78.59**

Weeks	From	To	High	Low	Average	# Trading days	
						BSE	NSE
1	25-Nov-2016	01-Dec-2016	94.26	86.36	90.31	5	0
2	02-Dec-2016	08-Dec-2016	83.95	81.57	82.76	5	0
3	09-Dec-2016	15-Dec-2016	82.88	77.75	80.32	5	0
4	16-Dec-2016	22-Dec-2016	78.86	75.26	77.06	5	0
5	23-Dec-2016	29-Dec-2016	75.60	72.10	73.85	5	0
6	30-Dec-2016	05-Jan-2017	81.83	78.58	80.20	5	0
7	06-Jan-2017	12-Jan-2017	80.46	78.69	79.57	5	0
8	13-Jan-2017	19-Jan-2017	78.57	78.20	78.38	5	0
9	20-Jan-2017	26-Jan-2017	79.09	77.53	78.31	4	0
10	27-Jan-2017	02-Feb-2017	79.05	76.72	77.89	5	0
11	03-Feb-2017	09-Feb-2017	82.75	79.17	80.96	5	0
12	10-Feb-2017	16-Feb-2017	77.60	73.44	75.52	5	0
13	17-Feb-2017	23-Feb-2017	74.05	70.82	72.44	5	0
14	24-Feb-2017	02-Mar-2017	71.68	69.86	70.77	4	0



15	03-Mar-2017	09-Mar-2017	70.86	68.54	69.70	5	0
16	10-Mar-2017	16-Mar-2017	69.61	68.53	69.07	4	0
17	17-Mar-2017	23-Mar-2017	69.08	68.18	68.63	5	0
18	24-Mar-2017	30-Mar-2017	71.42	69.47	70.44	5	0
19	31-Mar-2017	06-Apr-2017	74.15	71.08	72.61	4	0
20	07-Apr-2017	13-Apr-2017	86.91	74.74	80.82	5	0
21	14-Apr-2017	20-Apr-2017	91.54	89.30	90.42	4	0
22	21-Apr-2017	27-Apr-2017	94.76	86.69	90.73	5	0
23	28-Apr-2017	04-May-2017	87.65	86.51	87.08	4	0
24	05-May-2017	11-May-2017	86.10	83.76	84.93	5	0
25	12-May-2017	18-May-2017	82.27	80.52	81.40	5	0
26	19-May-2017	25-May-2017	80.72	77.38	79.05	5	0
Average Price of 26 weeks					78.59	124	0

For P. M. Dalvi & Co.  
Chartered Accountants  
Firm Regn. No. 102065W

*J. R. Chauhan*



Partner - J. R. Chauhan  
Mem. No. 118205  
Mumbai, May 26<sup>th</sup>, 2017.

**SIGMA SOLVENTS PRIVATE LIMITED**  
**(CIN-U24100MH1988PTC047155)**  
**Annexure- A (Financial Projections and Workings)**

Sr. No.	Particulars	Current Year (Provisional)	Projected				
		31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	
		Year 1	Year 2	Year 3	Year 4	Year 5	
(A)	<b>INCOME</b>						
	Domestic sales	793.10	1,450.00	1,600.00	1,790.00	2,025.00	
	Export sales	124.53	275.00	300.00	335.00	380.00	
	Gross Sales	917.73	1,725.00	1,900.00	2,125.00	2,405.00	
	Excise duty	69.08	130.50	144.00	161.10	182.25	
	Net Sales	848.65	1,594.50	1,756.00	1,963.90	2,222.75	
	Other Income	4.29	-	4.50	5.00	5.50	
	Gross Income	852.94	1,594.50	1,760.50	1,968.90	2,228.25	
(B)	<b>EXPENSES</b>						
	Raw material	513.25	890.00	980.00	1,095.00	1,237.00	
	Total purchases(a)	513.25	890.00	980.00	1,095.00	1,237.00	
	Direct Labour	34.28	53.00	57.50	63.00	73.00	
	Depreciation	15.00	22.00	24.00	26.00	28.00	
	Total direct expenses(b)	49.28	75.00	81.50	89.00	101.00	
	Inventory [opening] of WIP	121.59	23.03	50.00	67.00	95.00	
	Inventory [closing] of WIP	(23.03)	(50.00)	(67.00)	(95.00)	(115.00)	
	Changes in Inventory	98.56	(26.97)	(17.00)	(28.00)	(20.00)	
	Total cost of production (a+b+c)	661.09	938.03	1,044.50	1,156.00	1,318.00	
	Inventory [opening] of finished goods	207.12	58.77	80.00	105.00	115.00	
	Inventory [closing] of finished goods	58.77	80.00	105.00	115.00	130.00	
	Total cost of sales	809.44	916.80	1,019.50	1,146.00	1,303.00	
	Gross Profit (A-B)	43.50	677.70	741.00	822.90	925.25	
	Total indirect expenses	645.19	380.00	417.00	463.00	518.00	
	Operating profit before finance charges	(601.69)	297.70	324.00	359.90	407.25	
	Total finance charges [only interest element]	80.47	100.00	105.00	110.00	117.00	
	Operating profit after finance charges	(682.16)	197.70	219.00	249.90	290.25	
	Non-operating income	-	-	-	-	-	
	Non-operating expenses	-	-	-	-	-	
	Profit before Tax / (Loss) PBT	(682.16)	197.70	219.00	249.90	290.25	
	Provision for Taxes	(227.00)	66.00	72.50	82.50	96.50	
	Net Profit / Loss after Tax PAT	(455.16)	131.70	146.50	167.40	193.75	
	Average Profit After Tax	36.84					



Capitalisation Rate	10.50%				
Valuation of Business	350.84				
Number Of Shares	1200000				
Value Per Share	29.23				





# P. M. DALVI & CO.

CHARTERED ACCOUNTANTS

10, Anand Bhuvan, D. V. Deshpande Marg, Shivaji Park, Dadar (W), Mumbai – 400 028.  
Contact Nos: 91-22-24466225, 91-9324353365 Email: jrchauhan@capmd.co.in

## Computation of Fair Share Exchange Ratio:

As per the BSE circular no. LIST/COMP/02/2017-18 dated 29<sup>th</sup> May, 2017 with reference to the draft scheme of arrangement filed with stock exchanges in terms of SEBI Circulars dated March 10, 2017 or November 30, 2015, as applicable, the computation of Share Exchange Ratio for the proposed draft Scheme is as follows:

Valuation Approach	Indo Amines Limited		Sigma Solvents Private Limited	
	Value per Share (In Rs.)	Weight	Value per Share (In Rs.)	Weight
Asset Approach	-	-	-	-
Income Approach	-	-	29.23	100%
Market Approach	80.22	100%	-	-
Relative Value per Share	80.22	-	29.23	-
Exchange Ratio (rounded off)	9		25	

### Ratio:

9 (Nine) Equity Share of Indo Amines Limited of Rs. 10/- each fully paid up for every 25 (Twenty Five) Equity Shares of Sigma Solvents Private Limited of Rs. 10/- each fully paid up.

For P. M. Dalvi & Co.  
Chartered Accountants  
Firm Regn. No. 102065W



Partner – J. R. Chauhan  
Mem. No. 118205  
Mumbai, May 25<sup>th</sup>, 2017.