# VC CORPORATE ADVISORS PVT LTD.

31, Ganesh Chandra Avenue, 2nd Floor, Suite No. [illegible]
Tel.: 033 2228 5940, Fax: 033 2228 5947
CIN - U67120WB2005PTC106051

E-mail : mail@vccorporate.com
Website : www.vccorporate.com


***PRIVATE & CONFIDENTIAL***

(Annex -5)

15th April, 2017

**The Board of Directors**

**PH TRADING LIMITED**

Poddar Point, 113 Park Street,

Block B, 10TH Floor

Kolkata- 700016

Dear Sir,

***Sub: Proposed scheme of Demerger of K Kumar unit of PH Trading Limited (hereinafter referred to as "Transferor company" or "PHTL") into the wholly owned subsidiary of the Company i.e., Dhyaneshwar Traders Private Limited (hereinafter referred to as "Resulting Company" or "DTPL") pursuant to a scheme of arrangement with effect from 01 April, 2016 ("Appointed Date").***

***Re: Fairness Opinion***

***PURPOSE:***

This has reference to our engagement for providing Fairness Opinion on the recommendation of Valuation cum Exchange Ratio as provided by M/s. H. B. & Associates, Chartered Accountants, Kolkata (herein after referred to as '**Valuer**') for the proposed demerger of K Kumar unit of PH Trading Limited into the wholly owned subsidiary of the Company i.e., Dhyaneshwar Traders Private Limited pursuant to a scheme of arrangement with effect from 01 April, 2016 ("**Appointed Date**") under section 230 and section 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modifications(s) thereof).

The equity share entitlement ratio for this opinion refers to number of equity shares of face value of Rs. 10/- of DTPL which would be issued to the PHTL.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**SOURCES OF INFORMATION:-**

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

a. Memorandum and Articles of Association of PHTL and DTPL,

b. Annual report for last 3 years ended March, 2016 of PHTL and of last 1 year of DTPL,

c. Unaudited financial statement for 9 months ended 31st December, 2016 of PHTL,

d. Draft Scheme of Arrangement,

e. Valuation cum Exchange Ratio Report dated 15th April 2017 issued by M/s. H.B. Associates, Chartered Accountants, Kolkata ('Valuer') and related workings.

f. Discussion with and other relevant information as provided by the representatives of PHTL in oral form or soft copy,

g. Such other information and explanations that have been provided to us by the management of PHTL.

**EXCLUSIONS AND LIMITATIONS:-**

Our conclusion is based on the information furnished to us being, complete and accurate in all material aspects. We have relied upon the financials and the information and representations furnished to us and have not carried out any audit of such information.

We have not carried on any independent valuation or appraisal of any of the assets or liabilities of the companies.

Our work does not constitute verification of financials or including the working results of the companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.

We assume no responsibility for updating or revising our opinion on the circumstances or events after the date hereof.

Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed scheme of arrangement with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

**CONCLUSION: -**

We refer to the above information and considering the fact the Resulting Company i.e., DTPL is a wholly owned subsidiary of PHTL, the effective interest of PH Trading Limited will remain the same as the shares of DTPL will be issued to PHTL only. We have reviewed the methodology used by the Valuer for arriving at the no. of shares of DTPL which shall be issued to PHTL and also reviewed the working and underlying assumptions adopted by the Valuer.

"We have accordingly formed an opinion that the no. of shares as recommended by the Valuer i.e., 45000 (Forty Five Thousand) Equity Shares of the face value of Rs. 10/- each of DTPL to be issued to PHTL as a consideration of demerger is fair and reasonable to the equity shareholders of PHTL."

Yours Faithfully,

**For VC CORPORATE ADVISORS PRIVATE LIMITED**

Anup Kumar Sharma

**ANUP KUMAR SHARMA**

**(VICE PRESIDENT)**

**SEBI REGN No. INM0000011096**