

Fairness Opinion Report on 'Valuation Certificate' issued for
Proposed Scheme of Arrangement between
Ruchi Soya Industries Limited
And
Mrig Trading Private Limited
And
their Respective Shareholders and Creditors

Prepared by



Saffron Capital Advisors Private Limited

[Company Identification Number: U67120MH2007PTC166711]

SEBI Registered Category I Merchant Banker

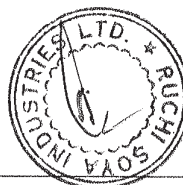
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SEBI Registration No: INM000011211

November 02, 2017



Notice to Reader

This report is prepared by Saffron Capital Advisors Private Limited ("Saffron") solely for the purpose of giving a "Fairness Opinion" on "Valuation Certificate" issued in connection with the proposed "Scheme of Arrangement" (the Scheme) between Ruchi Soya Industries Limited ("RSIL") and Mrig Trading Private Limited ("Mrig") and their respective shareholders and creditors. The fairness opinion report is required to be submitted to the stock exchanges to facilitate the companies under regulations 11, 37 and 94 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Securities Exchange Board of India ("SEBI") Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017. This report is not to be used, circulated, and quoted otherwise than for the purpose stated herein. This report is subject to the scope of limitations detailed hereinafter. As such the report is to be read in totality and not in parts. This report has been prepared solely for the purpose set out in this report and should not be reproduced (in part or otherwise) in any other document whatsoever without Saffron's written consent.

For the purpose of this assignment, Saffron has relied on the Valuation Certificate dated November 02, 2017 prepared by Haresh Upendra & Co., Chartered Accountants (Firm Regn No.103513W) and signed by CA Haresh Shah (Membership No.: 032208), for the proposed "Scheme of Arrangement" of RSIL and Mrig and their respective shareholders and creditors and information and explanation provided to it, the accuracy whereof has not been evaluated by Saffron. Saffron's work does not constitute certification or due diligence of any past working results and Saffron has relied upon the information provided to it as set out in working results of the aforesaid reports.

Saffron has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of RSIL and Mrig and to the Stock Exchanges and to the Registrar of Companies. 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.

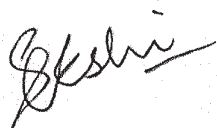
The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients



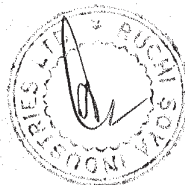
may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Valuation Certificate issued for the proposed Scheme of Arrangement between RSIL and Mrig and their respective shareholders and creditors, and may not be applicable or referred to or quoted in any other context.

Management has been provided with an opportunity to review factual information in our report as part of our standard practice to ensure that factual inaccuracies/omissions/etc. are avoided in our final signed report.

For Saffron Capital Advisors Private Limited



Authorised Signatory



Introduction and Scope of Assignment

1. Transferor Company – Ruchi Soya Industries Limited (RSIL):

Ruchi Soya Industries Limited, a flagship company of Ruchi Group, is India's leading agri-food Fast Moving Consumer Goods (FMCG) company. The CIN of the Company is L15140MH1986PLC038536. The Company is one of the highest exporters of soya meal, textured soya protien, lecithin and other food products. RSIL is also one of the pioneers in oil palm plantations in the country. Its leading brands include Nutrela, Mahakosh, Sunrich, Ruchi Gold and Ruchi Star. RSIL has also diversified into renewable energy.

2. Transferee Company – Mrig Trading Private Limited (Mrig):

Mrig is a private limited company domiciled in India and is a wholly owned subsidiary of RSIL. The CIN of the company is U51909MH2003PTC138972.

3. Valuation has been decided based on the Valuation Certificate dated November 02, 2017 prepared by Hareh Upendra & Co., Chartered Accountant (Firm Regn No.103513W) and signed by CA Hareh Shah (Membership No.: 032208).

4. We, Saffron Capital Advisors Private Limited, a SEBI registered Category-I Merchant Banker, have been engaged by RSIL to give a fairness opinion on Valuation Certificate dated November 02, 2017 issued by Hareh Upendra & Co.



Exclusions and Limitations

1. Saffron has been requested by RSIL to submit a report by giving a fairness opinion on Valuation Certificate issued for the proposed Scheme of Arrangement between RSIL and Mrig and their respective shareholders and creditors.
2. We have given the Fairness Opinion on the basis of the following information provided to us by RSIL and Mrig / collated by us from publicly available sources:
 - a) Valuation Certificate date November 02, 2017 issued by Haresh Upendra & Co., Chartered Accountants (Firm Regn No.103513W) and signed by CA Haresh Shah (Membership No.: 032208).
 - b) Draft copy of Scheme of Arrangement provided by RSIL.
 - c) Provisional carved out financials of the Undertaking for the year ended March 31, 2017 ;
 - d) Provisional carved out financials of the Undertaking for the six months period ended September 30, 2017;
 - e) Financial projections of the Undertaking for the six months ending March 31, 2018 and FY2019 to FY2023.
 - f) Such other information and explanations as we have required and which have been provided by the management of RSIL.
3. Our valuation exercise and conclusions reached by us are dependent on the information provided to us being complete and 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 does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such 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 report.
4. Our report will not be offered to any section of the public to subscribe for or purchase any securities in or assets or liabilities of any company or business valued by us. This report 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.



Recommendation of the Valuer

The Valuer has considered the following methods for the purpose of valuation:

- Profit Capitalisation Method
- Discounted Cash-flows Method

An equal weightage has been given to both valuation methods to arrive at the fair value of the business undertaking.

Based on the above methods, the Valuer is of the view that the fair value of the business undertaking being transferred is Rs. 1,734 Crore.

Conclusion and Opinion on Valuation Certificate

We have reviewed the valuation certificate and based on the information, material data made available to us, to best of our knowledge and belief, the valuation prepared by the Valuer Haresh Upendra & Co., Chartered Accountants is **Fair and Reasonable**.

