

Date: February 13, 2025

To,
The Board of Directors
Dhrangadhara Trading Company Private
Limited

To,
The Board of Directors
Sahu Brothers Private Limited

'Nirmal' 3rd Floor, 241-Backbay
Reclamation, Nariman Point, Mumbai,
Maharashtra, India, 400021

3rd Floor, Nirmal, Nariman Point,
Mumbai City, Mumbai, Maharashtra,
India, 400021

Subject: Fairness Opinion on the share exchange ratio recommended by CA Harsh Chandrakant Ruparelia, Registered Valuer- Securities and Financial Assets, for the proposed amalgamation of Dhrangadhara Trading Company Private Limited ("DTCPL" or "Transferor Company 1") and Sahu Brothers Private Limited ("SBPL" or "Transferor Company 2") with DCW Limited ("DCW" or "Transferee Company").

We refer to the engagement letter dated February 08, 2025, wherein Seren Capital Private Limited ("Seren" or "We" or "us") has been engaged by the Management of DTCPL and SBPL to provide a fairness opinion on the share exchange ratio recommends by CA Harsh Chandrakant Ruparelia, Registered Valuer - Securities or Financial Assets ("independent Valuer") vide report dated February 13, 2025 in connection with the proposed amalgamation of Dhrangadhara Trading Company Private Limited and Sahu Brothers Private Limited with and into DCW Limited (together Dhrangadhara Trading Company, Sahu Brothers and DCW Limited are referred to as "Transacting Companies") (hereinafter referred to as "Proposed amalgamation" or "Proposed Transaction").

Please find enclosed our deliverables in the form of report ("the Report"). This Report sets out the transaction overview, scope of work, background of the companies, sources of information and our opinion on the share exchange ratio recommended by Independent Valuer for the aforesaid proposed amalgamation. This Report is subject to the scope, assumptions, exclusions, limitation and disclaimers detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

This report has been issued only for the purpose of facilitating the Proposed Transaction and should not be used for any other purpose.

For Seren Capital Private Limited



Yash Sharma
Manager
Place: Mumbai



FAIRNESS OPINION

IN THE MATTER OF SCHEME OF AMALGAMATION IN THE NATURE OF

PROPOSED AMALGAMATION OF

DHRANGADHARA TRADING COMPANY PRIVATE LIMITED

("Transferor Company 1" or "DTCPL")

And

SAHU BROTHERS PRIVATE LIMITED

("Transferor Company 2" or "SBPL")

With

DCW LIMITED

("Transferee Company" or "DCW")

STRICTLY PRIVATE AND CONFIDENTIAL

Prepared By:

Seren Capital Private Limited

(SEBI Category I Merchant Banking Registration Number — INM000013156)

Office no. 601 to 605, Raylon Arcade,

Kondivita, J.B. Nagar, Mumbai-400059

1. BACKGROUND OF THE COMPANIES

DHRANGADHARA TRADING COMPANY PRIVATE LIMITED

DTCPL was incorporated on 21st October 1942 under the provisions of the erstwhile Companies Act, 1913. The registered office of DTCPL is currently situated at 3rd Floor, Nirmal, 241-Backbay Reclamation, Nariman Point, Mumbai 400 021.

The Equity shareholding pattern of Dhrangadhara Trading Company Private Limited as on the date of this report is set out below-

Serial No	Name	No of shares held	% holding
1	Jain Sahu Brothers Properties LLP	162	31.28
2	Vivek Jain	89	17.18
3	Ashish Jain	89	17.18
4	Bakul Jain	89	17.18
5	Mudit Jain	89	17.18
	Total	518	100.00

SAHU BROTHERS PRIVATE LIMITED

SBPL was incorporated on 4th April 1949 under the provisions of the erstwhile Companies Act, 1913. The registered office of SBPL is currently situated at 3rd Floor, Nirmal, 241-Backbay Reclamation, Nariman Point, Mumbai 400 021.

The Equity shareholding pattern of Sahu Brothers Private Limited as on the date of this report is set out below-

Sr. No.	Category of the Shareholder	No. of equity shares held	% Shareholding
1	Ashish Jain	3,06,987	31.50
2	Vivek Jain Jt. Meeta Jain	1,83,610	18.84
3	Mudit Jain	1,21,788	12.50
4	Durgavati Jain	90,475	9.28
5	Paulomi Bakul Jain	80,292	8.24
6	Bakul Jain	75,715	7.77
7	Varsha Jain	64,145	6.58
8	Durgawati Jain Jt. Bakul Jain	30,046	3.08
9	Meeta Jain Jt. Vivek Jain	10,015	1.03
10	Sahu Cylinders & Udyog Private Limited	3,981	0.41
11	Cashco Holding Private Limited	3,755	0.39
12	Florida Holdings and Trading Private Limited	3,750	0.38
	Total	9,74,559	100.00

DCW LIMITED

DCW is listed on both the BSE and NSE, operates as a prominent chemicals manufacturer in India. DCW -Alkali, Synthetic Rutile, and PVC segments. Additionally, DCW produces Soda Ash, Sodium

Bicarbonate, and Ammonium Bicarbonate. product portfolio includes Caustic Soda, Liquid Chlorine, Hydrochloric Acid, Beneficiated Ilmenite, Trichloroethylene, Yellow Iron Oxide, Ferric Chloride, UTOX, and PVC.

The Equity shareholding pattern of DCW Limited as on 31st December, 2024 is set out below-

Serial No	Name	No of shares held	Percentage
1	Promoter & Promoter Group	132,398,684	44.86
2	Public	162,756,333	55.14

Source: <https://www.bseindia.com>

2. TRANSACTION OVERVIEW AND SCOPE OF SERVICES

Transaction Overview

We understand that the Management of the Transacting Companies are contemplating a scheme of amalgamation, wherein they intend to amalgamate Dhrangadhara Trading Company Private Limited and Sahu Brothers Private Limited with and into DCW Limited in accordance with the provisions of Sections. 230 to 232 and other applicable provisions of the Companies Act, 2013 and in a manner provided in the draft scheme of amalgamation (hereinafter referred to as 'the Scheme').

As a consideration for the proposed amalgamation, equity shareholders of Dhrangadhara Trading Company Private Limited and Sahu Brothers Private Limited would be issued equity shares of DCW Limited. The equity shares to be Issued for the aforesaid proposed amalgamation will be based on the share exchange ratio as determined by the Board of Directors based on the share exchange ratio report prepared by Independent Valuer appointed by them.

Scope of Services

Pursuant to Regulation 37 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, as amended from time to time, we have been requested by the Management to issue a fairness opinion in relation to the share exchange ratio recommended by Independent Valuer vide report dated February 13, 2025 for the proposed amalgamation of Transferor Companies with Transferee Company.

In this regard, the Management has appointed Seren Capital Private Limited ("Seren or "We" or "us"), SEBI Registered (Category I) Merchant Banker to provide fairness opinion on the share exchange ratio recommended by an Independent Valuer for the Proposed amalgamation.

Our scope of work only includes forming an opinion on the fairness of the recommendation of the Valuer on the share exchange ratio arrived at for the purpose of Scheme and does not involve evaluating or opining on the fairness or economic rationale of the Scheme per se. This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

3. SOURCES OF INFORMATION

We have relied on the following information made available to us by the Management of the Transacting Companies/ obtained from public domain for the purpose of this report:

- Signed share exchange ratio report prepared and issued by Mr. CA Harsh Chandrakant Ruparelia, Registered Valuer- Securities or Financial Assets dated February 13, 2025;

- Audited standalone/ consolidated financial statements of Dhrangadhara Trading Company Private Limited for the financial year ended January 21, 2025;
- Audited standalone/ consolidated financial statements of Sahu Brothers Private Limited for the financial year ended January 22, 2025;
- Limited review financial statements of DCW as on 31st, December 2024;
- Shareholding pattern of Dhrangadhara Trading Company Private Limited, Sahu Brothers Private Limited & DCW Limited as at 31st, December 2024 ;
- Draft scheme of amalgamation between the Transacting Companies pursuant to which proposed amalgamation is to be undertaken;
- Publicly available market data, key trends and other analytical information;

The Management has been provided with the opportunity to review the draft fairness opinion report (excluding our fairness opinion on the share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided.

4. PROCEDURES ADOPTED

In connection with this exercise; we have adopted the following procedures to carry out the opinion:

- Requested and received financial and qualitative information.
- Obtained data available of Companies in public domain.
- Discussion with the Management to:
Understand the business and fundamental factors that affect the business including their earning generating capability and enquire about the historical financial performance, current state of affairs, business plans.
- Reviewed signed share exchange ratio report issued and prepared by Mr. CA Harsh Chandrakant Ruparelia, registered Valuer- Securities or Financial Assets dated February 13, 2025;
- Reviewed the draft scheme of amalgamation between the Transacting Companies.
- Discussion with Independent Valuer on such matters which we believed were necessary or appropriate for the purpose of issuing this opinion.

5. LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

The fairness opinion contained herein is not intended to represent fairness opinion at any time other than report date. We have no obligation to update this report.

This Report, its contents and the results herein are specific to (i) the purpose of fairness opinion agreed as per the terms of our engagement (ii) the Report Date; (iii) the shareholding pattern of Transacting Companies as at December 31, 2024; and (v) draft scheme of amalgamation.

A fairness opinion of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The fairness opinion rendered in this Report only represent our opinion based upon information furnished by the Companies and gathered from public domain (and analysis thereon) and the said opinion shall be considered to be in the nature of non-binding advice. Our fairness opinion should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

We have not independently audited or otherwise verified the financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Management we have been given to understand by the Management that they have not omitted any relevant and material factors about the Transacting Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the information given by/on behalf of the Transacting Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our fairness opinion.

It is understood that this opinion is solely for the benefit of confidential use by the Board of Directors of the Transferee Company and the Transferor Company for the purpose of facilitating companies to comply with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, as amended from time to time; disclosures to be made to relevant regulatory authorities including stock exchanges, SEBI, National Company Law Tribunal or as required under applicable law and it shall not be valid for any other purpose. This opinion is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations, and that the Companies will be managed in a competent and responsible manner. Further, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not represented to us by the Management. Our fairness opinion assumes that the assets and liabilities of the companies, reflected in their respective balance sheet remain intact as of the Report date.

The report does not address the relative merits of the proposed amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The fee for the engagement is not contingent upon the results reported.

We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Transacting Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or Willful default on part of the Companies, their directors, employees or agents.

This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed scheme of amalgamation, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of DCW will trade following announcement of the proposed amalgamation and we express no opinion or

recommendation as to how the shareholders of either company should vote at any shareholders' meeting(s) to be held in connection with the proposed amalgamation.

6. OUR RECOMMENDATION

The Scheme provides for amalgamation of DTCPL and SBPL with and into DCW. Both, the DTCPL and SBPL, are part of the promoter group of the Company, holding 0.43% and 17.77% of the total equity shares in DCW, respectively, as of 31st December, 2024. Hence, upon the Scheme becoming effective, DCW shall issue same % of its equity shares to the shareholders of DTCPL and SBPL as consideration for the amalgamation in proportion to their respective shareholding in the DTCPL and SBPL.

All the costs and charges arising out of the Scheme shall be borne by DTCPL and SBPL or the Promoter / Promoter Group of DCW. Further, the shareholders of DTCPL and SBPL shall indemnify and keep DCW indemnified for liability, claim, demand, if any, which may devolve on DCW on account of said amalgamation.

DTCPL and SBPL hold 12,80,500 and 5,24,59,860 fully paid-up equity shares, respectively, in DCW as of the date of this report. Pursuant to the amalgamation, DCW shall issue the same number of new equity shares i.e. 12,80,500 fully paid-up equity shares to the equity shareholders of DTCPL and 5,24,59,860 fully paid-up equity shares to the equity shareholders of SBPL. In the event the DTCPL and SBPL hold more than / less than the equity shares of DCW (without incurring any additional liability) on the Record Date (*as defined in the Scheme*), new equity shares to be issued by DCW to the shareholders of DTCPL and SBPL shall stand increased / decreased by such number of equity shares held by DTCPL and SBPL in DCW. However, in no event, the number of new equity shares to be allotted by DCW to the shareholders of DTCPL and SBPL shall exceed the total number of equity shares held by DTCPL and SBPL in DCW.

As stated in the Share Exchange Ratio Report dated February 13th, 2025 prepared by Mr. CA Harsh Chandrakant Ruparelia, Registered Valuer- Securities or Financial Assets, they have recommended the following:

“12,80,500 fully paid-up equity shares of Rs. 2 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of DTCPL (Transferor Company 1) in proportion of their holding in DTCPL (Transferor Company 1)”

“5,24,59,860 fully paid-up equity shares of Rs. 2 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the SBPL (Transferor Company 2) in proportion of their holding in SBPL (Transferor Company 2)”

The aforesaid amalgamation shall be pursuant to the draft scheme of amalgamation and shall be subject to receipt of approval from the National Company Law Tribunal or such other competent authority as may be applicable and other statutory approvals as may be required. The detailed terms and conditions of the amalgamation are more fully set forth in the draft scheme of amalgamation. Seren has issued the fairness opinion with the understanding that draft scheme of amalgamation shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final scheme of amalgamation alters the Proposed Transaction.

Based on the information, data made available to us, to the best of our knowledge and belief, the Share exchange ratio as recommended by Mr. CA Harsh Chandrakant Ruparelia, Registered Valuer- Securities or Financial Assets in relation to the proposed draft scheme of amalgamation is fair to the equity shareholders of Dhrangadhara Trading Company, Sahu Brothers and DCW in our opinion.

For Seren Capital Private Limited



Yash Sharma
Manager

Date: February 13th, 2025
Place: Mumbai