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CONFIDENTIAL28th March, 2016

The Board of Directors,
OCL India Limited,
17th Floor, Narain Manzil,
23, Barakhamba Road,
New Delhi-110001

The Board of Directors,
Odisha Cement Limited,
17th Floor, Narain Manzil,
23, Barakhamba Road,
New Delhi-110001

Dear Members of the Board:

I. Engagement Background

We understand that the Board of Directors of OCL India Limited ("OCL" or "Company") is considering the Scheme of Arrangement and Amalgamation ("Scheme") amongst OCL India Limited, its wholly owned subsidiary Odisha Cement Limited ("ODCL"), Dalmia Cement East Limited ("DCEL"), Dalmia Bharat Cement Holding Limited ("DBCHL") and Shri Rangam Securities & Holdings Limited ("SRSHL") and their respective shareholders and creditors. The scheme involves 1) transfer and vesting of Power Undertakings of OCL, Rail Undertaking of OCL and Solid Waste Management System Undertaking of OCL, to ODCL by way of Slump Sale and amalgamation of OCL with ODCL post the slump sale and 2) transfer and vesting of Rail Undertaking of DCEL and Solid Waste Management System Undertaking of DCEL to ODCL by way of Slump Sale and amalgamation of DCEL, SRSHL and DBCHL with ODCL post the slump sale. The proposed reorganization is to be carried out pursuant to a Composite scheme of Arrangement and Amalgamation under section 391-394 of the Companies Act, 1956 and other relevant provisions of the Act (including corresponding provisions of the Companies Act, 2013 as may be applicable).

In consideration of the amalgamation of OCL with ODCL, for every 1 (one) fully paid equity share of the face value of Rs. 2 each held by the shareholders of the OCL, ODCL shall issue and allot 1 (one) fully paid equity share of the face value of Rs. 10 of ODCL (hereinafter referred to as the "Share Exchange Ratio").

In consideration of the amalgamation of DCEL, SRSHL and DBCHL with ODCL, shareholders of DBCHL shall be issued 3,43,00,000 (Three Crore Forty Three Lakhs) fully paid up Optionally Convertible Redeemable Preference Shares ("OCRPS") of Rs. 10 each of ODCL at a premium of Rs. 90 per share (hereinafter referred to as the "OCRPS Valuation").



Axis Capital Limited (Erstwhile "Axis Securities and Sales Limited")

SEBI Merchant Banker Regn No.: MB/INM030012029 Member Of: BSE Ltd. & National Stock Exchange of India Ltd., Mumbai.

CIN No. U51900MH2005PLC157853

Regd. Office: Axis House, 8th Floor, Wadia International Centre, P. B. Marg, Worli, Mumbai - 400 025

Corp. Office: Axis House, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai - 400 025

Tel.: (022) 4325 1199, Fax No. (022) 4325 3000, Website: www.axiscapital.co.in

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FOR OCL INDIA LIMITED

GM (Legal) & Company Secretary

In connection with the aforesaid, you requested our Fairness Opinion ("Opinion") as of the date hereof, as to the fairness of the Share Exchange Ratio to the Equity Shareholders of OCL and fairness of the valuation of OCRPS issued by ODCL.

II. Basis of Opinion

In the Rationale of the Scheme, it was showcased that the proposed amalgamation will enable better realisation of potential of the businesses of OCL, DCEL, SRSHL, DBCHL and ODCL in the form of amalgamated ODCL which will yield beneficial results and enhanced value creation for their respective shareholders, lenders and employees.

A brief history of each of the aforesaid companies is as under -

- (a) OCL India Limited is a listed public company limited by shares, incorporated on 11th October, 1949 under the provisions of the Companies Act, 1913 and is having its registered office at Rajgangpur-770017, Dist. Sundargarh, Odisha. Approximately 74.9% of the paid-up equity share capital of OCL is held by its promoters and promoter group and the remaining 25.1% (approx.) is held by public. The equity shares of OCL are listed on the National Stock Exchange of India Limited ("NSE") and on the BSE Limited ("BSE"). OCL is engaged in the business of manufacturing and selling cement and refractories, generating power and maintaining & operating rail systems and solid waste management system, which provide services to its cement & refractory business.
- (b) Dalmia Cement East Limited is an unlisted public company limited by shares, incorporated on 13th March, 2008 under the provisions of the Companies Act, 1956 and is having its registered office at Dalmiapuram Lalgudi Taluk, Dalmiapuram - 621651, Dist. Tiruchirappalli, Tamil Nadu. Shri Rangam Securities & Holdings Limited, along with its nominees, holds the entire paid-up equity share capital of DCEL. DCEL is engaged in the business of manufacturing and selling cement, maintaining & operating rail systems and solid waste management system, which provide services to its cement business.
- (c) Shri Rangam Securities & Holdings Limited is an unlisted public company limited by shares, incorporated on 25th March, 2014 under the provisions of the Companies Act, 1956 and is having its registered office at Dalmiapuram Lalgudi Taluk, Dalmiapuram-621651, Dist. Tiruchirappalli, Tamil Nadu. Dalmia Bharat Cements Holdings Limited, along with its nominees, holds the entire paid-up equity share capital of SRSHL. SRSHL is engaged in the business of, inter alia, providing management services.
- (d) Dalmia Bharat Cements Holdings Limited is an unlisted public company limited by shares, incorporated on 25th March, 2014 under the provisions of the Companies Act, 1956 and is having its registered office at Dalmiapuram Lalgudi Taluk, Dalmiapuram-621651, Dist. Tiruchirappalli, Tamil Nadu. Dalmia Cement (Bharat) Limited along with its nominees holds the entire paid-up



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equity share capital of DBCHL. DBCHL is engaged in the business of, inter alia, providing management services.

- (c) Odisha Cement Limited is an unlisted public company limited by shares incorporated on 12th July, 2013 under the provisions of the Companies Act, 1956, having its registered office at Rajgangpur-770017, Dist. Sundargarh, Odisha. OCL, along with its nominees, holds the entire paid-up equity share capital of ODCL. ODCL is authorised to carry on, inter alia, the business of manufacturing and selling cement.

The key features of the scheme provided to and relied upon by us for framing an Opinion on Share Exchange Ratio and OCRPS Valuation in consideration of the amalgamation of OCL, DCEL, DBCHL, SRSHL with ODCL are as under:

1. Transfer and vesting of Power Undertakings of OCL, Rail Undertaking of OCL and Solid Waste Management System Undertaking of OCL to ODCL by way of Slump Sale and subsequent amalgamation of residual OCL with ODCL.
2. In consideration of the amalgamation of residual OCL with ODCL, for every 1 (one) fully paid equity share of the face value of Rs. 2 each held by the shareholders of the OCL, ODCL shall issue and allot 1 (one) fully paid equity share of the face value of Rs. 10 of ODCL.
3. Transfer and vesting of Rail Undertaking of DCEL and Solid Waste Management System Undertaking of DCEL to ODCL by way of Slump Sale and subsequent amalgamation of residual DCEL, SRSHL and DBCHL with ODCL.
4. In consideration of the amalgamation of DCEL, SRSHL and DBCHL with ODCL, shareholders of DBCHL shall be issued 3,43,60,000 (Three Crore Forty Three Lakhs) fully paid up Optionally Convertible Redeemable Preference Shares of Rs. 10 each of ODCL at a premium of Rs. 90 per share.
5. Share Exchange Ratio and OCRPS Valuation is based on the valuation report dated 28th March 2016 submitted by M/s Sharp & Tannan.
6. The appointed date for the Scheme, upon sanction of the same by the High Court(s), is January 1, 2015.

We have taken the foregoing facts (together with the other facts and assumptions set forth in section III of this Opinion) into account when determining the meaning of "fairness" for purposes of this Opinion.



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III. Limitation of Scope and Review

Our Opinion and analysis is limited to the extent of review of documents as provided to us by OCL including the valuation report prepared by M/s Sharp & Tannan and a Draft of the Composite Scheme of Arrangement and Amalgamation.

We have relied upon the accuracy and completeness of all information and documents provided to us, including:

- The audited financial statements of DCEL as on March 31, 2015 and unaudited financial statements of DCEL as on December 31, 2015
- The financial projections of DCEL for the period Fourth Quarter (Q4) of Financial Year (FY) 2016 to FY2021 and management information as provided to us by the management
- The financial statements as of December 31, 2015 of DBCHL and SRSHL
- Other information, explanations and representations provided by the management of the companies.

The Company has been provided with the opportunity to review the draft Opinion as part of our standard practice to make sure that factual inaccuracy / omissions are avoided in our final Opinion.

We have not carried out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of OCL, ODCL, DBCHL, SRSHL, DCEL and / or its subsidiaries. No investigation of the Companies claim to title of assets has been made for the purpose of the exercise and the 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 whatsoever is assumed for matters of a legal nature.

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 OCL, ODCL, DBCHL, SRSHL, DCEL and / or its subsidiaries and their respective shareholders.

We do not express any Opinion as to any tax or other consequences that might arise from the scheme on OCL, ODCL, DBCHL, SRSHL, DCEL and / or its subsidiaries and their respective shareholders, nor does our Opinion address any legal, tax, regulatory including all SEBI regulations or accounting matters, as to which we understand that the Companies have obtained such advice as it deemed necessary from qualified professionals.



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We assume no responsibility for updating or revising our Opinion based on circumstances or events occurring after the date hereof. Our Opinion is specific to the amalgamation of OCL into ODCL, and DBCHL, SRSHL & DCEL into ODCL as contemplated in the Scheme provided to us and is not valid for any other purpose. It is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

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, shareholders rights or any other equitable considerations. We have also not opined on the fairness of any terms and conditions of the Composite Scheme of Arrangement and Amalgamation other than the fairness, from financial point of view, of the Share Exchange Ratio.

We have in the past provided, and may currently or in the future provide, investment banking services to OCL and/or its subsidiaries or their respective affiliates that are unrelated to the proposed Scheme, for which services we have received or may receive customary fees. In addition, in the ordinary course of their respective businesses, affiliates of Axis Capital Ltd. may invest in securities of OCL and / or its subsidiaries or group companies or for their own accounts and for the accounts of their customers subject to compliance of SEBI (Prohibition of Insider Trading) Regulations and, accordingly, may at any time hold a position in such securities. Our engagement and the Opinion expressed herein are for the benefit of the Board of Directors of OCL & ODCL in connection with its consideration of the Scheme and for none other. Neither Axis Capital Ltd., nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the information and documents provided to us, based on which the Opinion has been issued. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained therein.

The fee for our services is not contingent upon the results of the proposed amalgamations. This Opinion is subject to the laws of India.

Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the scheme or any matter related thereto.



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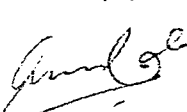
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IV. Conclusion

In respect of OCL amalgamation with ODCL, based on and subject to the foregoing and since ODCL is a wholly owned subsidiary of OCL and on the amalgamation of OCL with ODCL all the shareholders of OCL would become shareholders of ODCL in the same proportion i.e. the shareholding of ODCL shall be the mirror image of OCL's shareholding pattern, we are of the opinion, any swap ratio proposed for the amalgamation of OCL with ODCL would be fair. Accordingly, the proposed swap ratio of 1:1 i.e. 1 equity share of ODCL of Rs. 10 each for every 1 equity share of OCL of Rs. 2 each is fair to the equity shareholders of OCL.

Further, in respect of the amalgamation of DBCHL, SRSHL & DCEL with ODCL, we are of the opinion, that the proposed valuation of Rs. 343 Crore to be paid by ODCL in the form of OCRPS to the shareholders of DBCHL is fair.

For Axis Capital Ltd.



Lalit Ratadia
Managing Director
Investment Banking