



D & A FINANCIAL SERVICES (P) LIMITED
Merchant Banking & Corporate Advisory Services

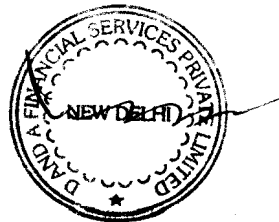
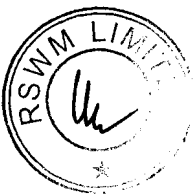
To,
Board of Directors
RSWM Limited
Cheslind Textiles Limited

Subject: Fairness Opinion on Valuation Report for the purpose of proposed Merger of Cheslind Textiles Limited ("CTL") with RSWM Limited ("RSWM") (Hereinafter Collectively referred to as "Companies").

Dear Sir/s,

We M/s D & Financial Services (P) Ltd., SEBI registered Merchant Banker, having license no. INM000011484 had given our fairness opinion report dated April 04, 2014 to the companies on the valuation report dated April 02, 2014 given by S S Kothari Mehta & Co., Chartered Accountants having its office at 146-148, Tribhuvan Complex, Ishwar Nagar, Mathura Road, New Delhi-110065, who were the appointed valuer for the proposed scheme of merger of Cheslind Textiles Limited ("CTL") with RSWM Limited ("RSWM").

We are further giving this fairness opinion report in view of report dated April 09, 2014 given by the valuer M/s S. S Kothari Mehta & Co., Chartered Accountants. Since the Report dated April 09, 2014 under the proposed scheme of merger of Cheslind Textiles Limited ("CTL") with RSWM Limited ("RSWM") (hereinafter referred as the "Scheme") is common for all the Companies, we deem it imperative to issue a consolidated fairness opinion in relation to all the Companies concerned.



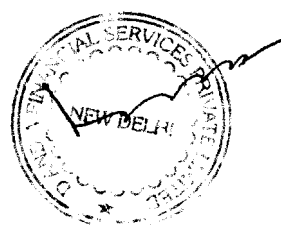
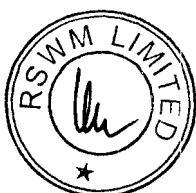
Scope and Purpose of the Opinion

Pursuant to an amendment dated September 4, 2008 vide Notification No. SEBI/DIL/LA/5/2008/4/09 by SEBI in clause 24 of the Listing Agreement, a fairness opinion has to be obtained from an independent merchant banker on the valuation of assets/shares done by the valuer for the listed as well as unlisted companies. The purpose of the opinion is to safeguard the interest of the shareholders and that of the companies involved in the proposed Scheme and this opinion shall be made available to the shareholders of the relevant Companies at the time of their meeting to pass the necessary resolution for the proposed Scheme and to any other relevant authority.

We have not made an appraisal or independent valuation of any of the assets or liabilities of any of the Companies and have not conducted an audit or due diligence or reviewed/ validated the financial data except what is provided for in the Valuation Report and financial data provided to us by the Company or Valuer.

Disclaimer: This report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in Companies or deal in any form in the securities of the Company and should also not be considered as a final equity value of the Company.

Our report does not, in any way, guarantee that the equity shares of Companies will continue to remain at the price on which the valuation of the shares takes place.



This letter is for the benefit of and confidential use by the Company. This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Companies are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

In no circumstances whatsoever, will D & A Financial Services (P) Limited, its Directors and employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.

Sources of the Information

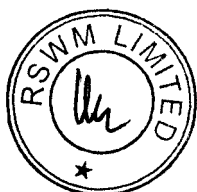
We have received the following information from the management of the Companies:

1. Advisory Report given by S S Kothari Mehta & Co, Chartered Accountants dated April 09, 2014.
2. Draft Scheme of Merger.

Approach followed for valuation

The share exchange ratio calculated in the Advisory Report has been arrived at by the consideration of several commonly used and accepted methods for determining the fair value of the equity shares of a companies, to the extent relevant and applicable and the valuer considers following methods, while arriving at fair exchange ratio:

1. Discounted Cash Flow Method,
2. Profit Earning Capacity Value Method
3. Net Asset Value Method
4. Market Price Method



Fairness Opinion

We in the capacity of SEBI registered Merchant Banker do hereby certify that the valuation done by the valuer for determining the share exchange ratio in the ratio of, 1 (One) fully paid Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs 7.50 each at par of RSWM for every 1 (One) fully paid up equity shares of Rs 10/- each held in CTL, which shall be convertible in to equity shares of RSWM at the option of the OCRPS holders and at the time of conversion, OCRPS holders will get 1 (One) equity shares of Rs 10/- each fully paid up in RSWM In lieu of 22 (Twenty Two) OCRPS of Rs 7.50 each fully paid up held by them in RSWM, on the basis of the aforesaid methodologies is fair and reasonable.

Thanking You

For **D & A Financial Services (P) Ltd**

(M K Doogar)

Director



Date: April 09, 2014

Place: New Delhi

