

Date: March 31, 2016

**The Board of Directors
Ashapura Intimates Fashion Limited**

Unit no 3/4, Pacific Plaza
Plot no 570, Masjid Gali
Off Bhavani Shankar Road
Dadar (W), Mumbai – 400 028

**The Board of Directors
Momai Apparels Limited**

Shop No. 305-309, 3rd Floor
Pacific Plaza Plot No.570, TPS IV
Off Bhawani Shankar Road
Mahim Division, Dadar – West
Mumbai – 400 028

Dear Sirs,

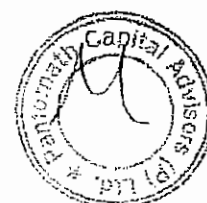
Re: Fairness opinion on Fair Equity Share Exchange Ratio Report issued by M/s. MZSK & Associates, Chartered Accountants, a member firm of BDO International, for the proposed Amalgamation of Momai Apparels Limited with Ashapura Intimates Fashion Limited

BACKGROUND

Pantomath Capital Advisors Private Limited ("Pantomath" or "we" or "us") is a Category I Merchant Banker registered with The Securities Exchange Board of India ("SEBI"). Pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 we have been requested to issue a fairness opinion on Fair Equity Share Exchange Ratio Report issued by M/s. MZSK & Associates, Chartered Accountants, a member firm of BDO International for the proposed Amalgamation of Momai Apparels Limited ("MAL" or "Transferor Company") with Ashapura Intimates Fashion Limited ("AIFL" or "Transferee Company")

Pantomath Capital Advisors (P) Ltd. (SEBI Registered Category I Merchant Bankers)
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AIFL is a public company incorporated under the Companies Act, 1956 having its registered office at Unit no 3/4, Pacific Plaza, Plot no 570, Masjid Gali, Off Bhavani Shankar Road, Dadar (W), Mumbai – 400 028. AIFL is a fashion house that designs, brands, markets and retails intimate garments for men, women and children. Its products include lounge wear, sleep wear, bridal night wear, honeymoon sets, bathrobes, women inner wear, sportswear and kids lounge wear which are sold under the brand name 'Valentine'. The equity shares of AIFL are listed on BSE Ltd (“BSE”) and National Stock Exchange of India Limited (“NSE”).

MAL is a public company incorporated under the Companies Act, 1956 having its registered office at Shop No. 305-309, 3rd Floor, Pacific Plaza Plot No.570, TPS IV, Off Bhawani Shankar Road, Mahim Division, Dadar - West, Mumbai – 400 028. MAL is engaged in the business of manufacturing non-branded intimate garments such as loungewear, bridal night wear, honeymoon sets, bathrobes, night wear, sportswear and women’s innerwear. The equity shares of MAL are listed on NSE Emerge Platform.

The management is considering Amalgamation of MAL with the AIFL, with effect from the Appointed Date i.e. April 1, 2016 for the rationale as provided in the Scheme of Amalgamation.

SOURCES OF INFORMATION

For arriving at the fairness opinion set forth below, we have relied upon the following sources of information:

- Valuation Report issued by M/s. MZSK & Associates, Chartered Accountants, a member firm of BDO International, dated March 30, 2016;
- Draft Scheme of Amalgamation of MAL with AIFL under section 391 to 394 of the Companies Act, 1956;
- Audited financial statements of MAL for the year ended March 31, 2015;
- Audited financial statements of AIFL for the year ended March 31, 2015;
- Financial statements of AIFL submitted to BSE and NSE for the periods up to December 31, 2015;
- Financial statements of MAL submitted to NSE for the periods up to September 30, 2015;
- Estimated financial statements of AIFL for the financial year ended March 31, 2016;
- Estimated financial statements of MAL for the financial year ended March 31, 2016;



- Projected profitability statement, balance sheet and cash flow of AIFL for the financial year ending on March 31, 2017 to March 31, 2021;
- Projected profitability statement, balance sheet and cash flow of MAL for the financial year ending on March 31, 2017 to March 31, 2021;
- Latest shareholding patterns of AIFL and MAL (Pre and Post Amalgamation);
- Memorandum of Association and Articles of Association of AIFL and MAL;
- Income-Tax Return of AIFL and MAL for the assessment year 2015-16;
- Other relevant information and documents for the purpose of this engagement.

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our analysis.

AIFL and MAL have been provided with the opportunity to review the draft Opinion as part of our standard practice to make sure that factual accuracy / omissions are avoided in our final opinion.

RATIONALE AND CONCLUSION

In the circumstances, having regard to the relevant factors and on the basis of information and explanations given to us, in our view, the proposed Equity Share Exchange Ratio as recommended by M/s. MZSK & Associates, Chartered Accountants, a member firm of BDO International which forms the basis for the proposed amalgamation, appears to be fair and reasonable.

EXCLUSIONS AND LIMITATIONS

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by AIFL and MAL for the purpose of this opinion without carrying out any audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of AIFL and MAL.

We have solely relied upon the information provided to us by AIFL and MAL. We have not reviewed any books or records of AIFL and MAL.

We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of AIFL and MAL and neither express any opinion with respect thereto nor accept any responsibility therefor.

We have not made any independent valuation or appraisal of the assets or liabilities of AIFL and MAL. In particular we do not express any opinion as to the value of assets of AIFL and MAL, whether at current market prices or in future.

We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by AIFL and MAL for the purpose of this opinion.

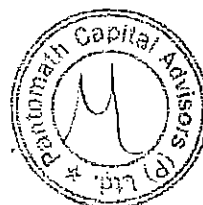
We are not experts in the evaluation of litigation or other actual or threatened claims and hence have not commented on the effect of such litigation or claims on the valuation. We are not legal, tax, regulatory or actuarial advisors. We are financial advisors only and have relied upon, without independent verification, the assessment of AIFL and MAL with respect to these matters. In addition, we have assumed that the Draft Scheme of Amalgamation will be approved by the regulatory authorities and that the proposed transaction will be consummated substantially in accordance with the terms set forth in the Draft Scheme of Amalgamation.

We understand that the managements of AIFL and MAL during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion.

We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Draft Scheme of Amalgamation, no restrictions will be imposed that will have a material adverse effect on the benefits of the transaction that AIFL and MAL may have contemplated.

Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving AIFL and MAL or any of its assets, nor did we negotiate with any other party in this regard.

It is understood that this letter is solely for the benefit of confidential use by the Board of Directors of AIFL and MAL for the purpose of facilitating companies to comply with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular



No. CIR/CID/CMD/16/2015 dated November 30, 2015 issued by SEBI and it shall not be valid for any other purpose. The letter 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 fee for our service is not contingent upon the results of the proposed Amalgamation. This opinion is subject to the laws of India.

Valuation, as it is said, is an art as well as a science. It is very subjective and based on individual perception. Large number of valuation models and its countless variants are in vogue, each of which has its own strength and weakness. Such practices lead to varying values arrived at by experts which, at times, may differ by larger margin. We express no opinion whatever and make no recommendation at all as to AIFL's and MAL's underlying decision to effect to the proposed Amalgamation or as to how the holders of equity shares or secured or unsecured creditors of AIFL and MAL should vote at their respective meetings held in connection with the proposed Amalgamation. We do not express and should not be deemed to have expressed any views on any other terms of the proposed Amalgamation. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of AIFL and MAL will trade following the announcement of the proposed Amalgamation or as to the financial performance of AIFL and MAL following the completion of the proposed Amalgamation.

In no circumstances however, will Pantomath or its associates, directors or employees accept any responsibility or liability to any third party and in the unforeseen event of any such responsibility or liability being imposed on Pantomath or its associates, directors or employees by any third party, AIFL and MAL and their affiliates shall indemnify them.

For Pantomath Capital Advisors Private Limited


Madhu Lunawat
Executive Director

