

INDEX

1.	Introduction	2
2.	Background	2
3.	Valuation Approach	3
4.	Recommended Ratio.....	4
5.	Qualifications and Independence	4

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- 1.1. Trade - Wings Limited ("TWL") is a public company with its shares listed on Bombay Stock Exchange. TWL is engaged in the business of travel and tourism and provides following services:
- 1.1.1. Travel, tourism and related services
 - 1.1.2. Foreign exchange services
 - 1.1.3. Money changing services
 - 1.1.4. Logistics services
 - 1.1.5. Hotels, restaurants, banquets and academics services
- 1.2. Roopsangam Holdings Limited ("RHL") is a public company, which was registered as a non-deposit taking Non-Banking Financial Company with Reserve Bank of India ("Registered NBFC"). RHL did not carry on any NBFC activities and hence had requested for surrender of NBFC registration, the request has been approved by Reserve Bank of India (RBI) vide its order dated 30th September 2013 and intimated RHL vide its letter dated 28th October, 2013. RHL intends to carry on the business of running of hotels, restaurants, cafes and the other activities incidental thereto.
- 1.3. RHL is a wholly owned subsidiary of TWL.
- 1.4. As informed, as part of business restructuring exercise, a Scheme of Amalgamation to merge RHL into TWL is proposed by the board of TWL and RHL with effect from 1st April 2013 ("Scheme").
- 1.5. With this regard, management of TWL and RHL have requested N. A. Shah Associates to provide a report recommending the fair exchange ratio for the proposed merger of RHL into TWL.

2.1. Trade - Wings Limited (Transferee Company)

Date of incorporation: 29th November 1949

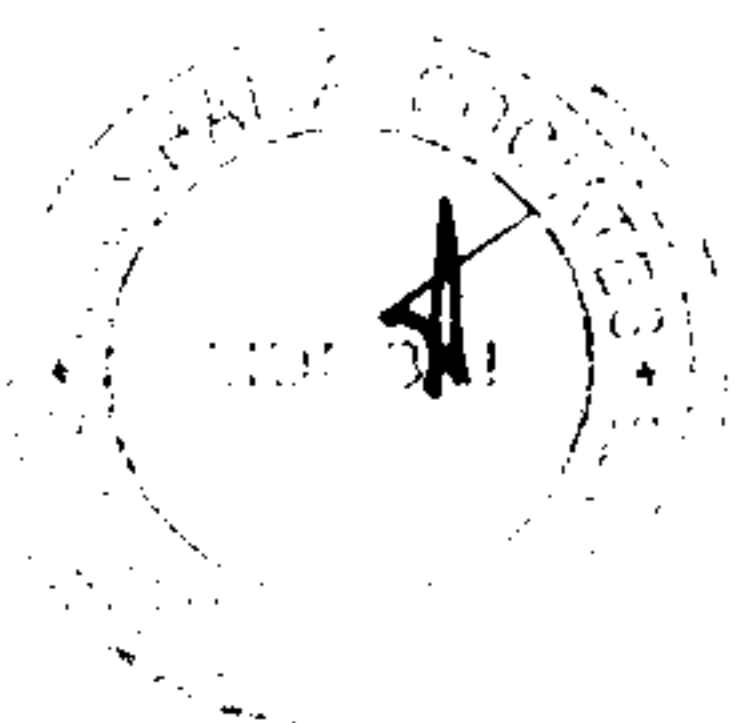
Trade - Wings Limited ("TWL") is a public company having its shares listed on Bombay Stock Exchange. It is a company registered under the Companies Act, 1956 and having its registered office at 6, Mascarenhas Building, Mahatma Gandhi Road, Panaji, Goa – 403001, India. The Company is engaged in the business of travel, tourism and allied services. The shareholding pattern of the company as on 30th September, 2013 is as given below:

S.N.	Shareholder	No. of shares	% held
1.	Narayani Hospitality & Academic Institution Private Limited	22,34,341	74.48%

Report

2

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2.	Shailendra Mittal	9,640	0.32%
3.	Shailendra Mittal Family Trust	1,079	0.04%
4.	Other Corporate Bodies	6,33,999	21.13%
5.	Clearing Member	800	0.03%
6.	Non Resident Indians	60	0.00%
7.	Public Shareholders	1,20,081	4.00%
	Total	30,00,000	100%

2.2. Roopsangam Holdings Limited (Transferor Company)

Date of incorporation: 26th February 1987

RHL is a public company incorporated under the Companies Act, 1956 and having its registered office at 18/20, K. Dubash Marg, Kalaghoda, Fort, Mumbai – 400 023, India. The Company intends to carry on the business of running of hotels, restaurants, cafes and the other activities incidental thereto. The present shareholding pattern of the company is as given below:

S.N.	Shareholder	No. of shares	% held
1.	Trade - Wings Limited	74,996	99.99%
2.	Mr. Shailendra Mittal (as nominee of Trade - Wings Limited)	1	0.00%
3.	Mr. Vishwanathan Nair (as nominee of Trade - Wings Limited)	1	0.00%
4.	Mr. Abdul Gaffar Merchant (as nominee of Trade - Wings Limited)	1	0.00%
5.	Mr. Rajan Dani (as nominee of Trade - Wings Limited)	1	0.00%
6.	Mr. Dnyanesh Mulay (as nominee of Trade - Wings Limited)	1	0.00%
7.	Ms. Jyoti Gupta (as nominee of Trade - Wings Limited)	1	0.00%
	Total	75,002	100.00%



“Value is a word of many meanings”. The term “value” can have different connotations depending upon the purpose for which it is intended to be used. “Value” of the share of one company in the context of merger may not be the same for the purpose of sale of shares of the same company to another. The value of a share cannot be considered in isolation, it would depend on the precise purpose for which it is intended to be used. The method used for the valuation of shares must necessarily be determined by the purpose for which such valuation is made.



On merger consideration is discharged by the transferee company by issuing shares of the transferee company to the shareholders of the transferor company. Accordingly, valuation exercise is required to calculate fair value of shares of different transferor and transferee Companies so that an exchange ratio may be fixed based on comparison of such fair value. However, on merger of wholly owned subsidiary (WOS) into Holding company, entire investments of the holding company in WOS, being a cross holding, will be cancelled and no shares shall be issued by the Holding Company for discharge of consideration. Considering that RHL is a wholly owned subsidiary of TWL, on merger there would be no issue of shares by TWL. Upon the Scheme becoming effective the existing equity shares held by TWL in RHL shall, without any application of deed, stand cancelled without any payment. Accordingly there shall be no share entitlement ratio as there shall be no shares issued on the merger.

5.1. N. A. Shah Associates are independent of the shareholders, directors and management of TWL and RHL and do not have any financial association with the shareholders, directors and management of TWL and RHL other than receipt of fees in connection with the professional services provided.

5.2. This confidential report has been prepared by N. A. Shah Associates solely for the purpose of the shareholders of TWL and RHL and its board of directors for providing select information on a confidential basis. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued. We will not accept any responsibility to any other party to whom this report may be shown or who may acquire a copy of the report, without our written consent.

5.3. The following should be noted when considering our report:

- Our report is based on the following information of TWL and RHL is made available to us by the management of TWL and RHL respectively:
 - Audited Financial Statements of TWL and RHL for the years 2010-2011, 2011-2012 and 2012-2013.
 - Provisional financial statements of RHL for period up to 30th September, 2013.
 - Income Tax Returns of TWL and RHL for the assessment years 2011-2012, 2012 -2013, 2013 -2014
 - Background, history and other relevant information of TWL and RHL including description of Business activity.
 - Memorandum & Articles of Association of TWL and RHL.



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- Shareholding pattern of TWL and RHL as on 30th September 2013.
- We have not performed any work in the nature of audit, due diligence or certification on any of the information that has been made available to us.
- Our report is addressed to the directors and management of TWL and RHL and may not be relied upon by any third party.
- Our report is issued at the request of TWL in accordance with Clause 24(f) of the Listing Agreement and SEBI circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with clarifications provided by SEBI CIR/CFD/DIL/8/2013 dated May 21, 2013.
- The valuation of business is an art and not an exact science and others may have a different view in this regard. Valuation is a subjective decision, which a valuer may have to take, depending on the valuer's own perceptions.

5.4. We have no obligation to update or revise this report because of the events or transactions occurring subsequent to the date of this report

Thanking you,

Yours faithfully,

For N. A. Shah Associates
Chartered Accountants



Ashok Shah
Partner

Membership No: 100-030936
Firm Registration No: 116560W

Place: Mumbai
Dated: 30th November, 2013