



A. K. JALAN & ASSOCIATES

Chartered Accountants

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NET WORTH CERTIFICATE

We, A.K.Jalan & Associates, CA, being the Statutory Auditors of the Company, M/s Laurel Organics Limited (here in after referred as "Company" or "Transferee Company"), on the basis of the information and documents received from the Company, do hereby confirm as follows:

01. The company has made a scheme of arrangements with M/s Kimia biosciences limited and its shareholders (here in after referred as "Transferor Company") for reduction of paid up share capital by 90 % value of the Company with a purpose of consequent reduction of accumulated losses of the Company u/s 100 to 104 of the Companies Act, 1956 and amalgamation in the nature of merger of M/s Kimia biosciences limited, the transferor company, with the Company u/s 391-394 of the Companies Act, 1956. The scheme of such arrangements made has been approved by the Board of Directors of the Company on 02/08/2016 vide a certified copy of BOD resolution submitted to us along with copy of the approved Scheme of arrangements made.
02. The Company has adopted share exchange ratio for amalgamation in the nature of merger of the transferor company in the scheme of arrangements dt.02/08/2016 based on a valuation analysis report of M/s AARA & Co, CA, M-17, 4th Floor, GK-II, New Delhi-48, a copy of which is submitted to us, which is resulting into the Post Arrangement 'NET WORTH' provided here-in-below.
03. The Company has computed proposed financial transactions in its books of accounts to give effect to the proposed Scheme of arrangements, once approved by the Hon'ble High Court of Delhi and the Shareholders of the Company, certified copy of which has been submitted, relevant for the 'Post Arrangement' "NET WORTH" herein-below.
04. The pre arrangement 'NET WORTH' is arrived at based on audited Balance Sheet of the Company as on 31/03/2016 and post Arrangement Net worth¹ of the Company as per Regulation 2(1) (v) of the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009 has been arrived at upon consideration of the documents, information mentioned in para 01 to 03 above as follows:

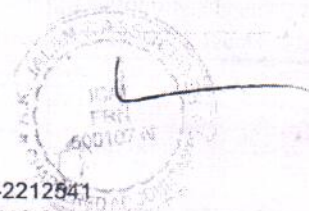
Particulars	Amount (In Rs.)	Amount (In Rs.)
	Pre Arrangement (based on the Financials for the F.Y. ended March 31, 2016)	Post Arrangement* (Proposed)
Paid-up Capital:		
Share Capital	73,850,000.00	54,594,420.00
Compulsory Convertible Preference Shares	-	6,518,320.00
Reserves & Surplus (Excluding Revaluation Reserves)		

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Branch Offices:

- * Saraiyaganj, Jogiamaath, Muzaffarpur 842001 (Bihar). Phone: 0621-2212541
 - * 206, Narayan Plaza, Exhibition Road, Patna 800001 (Bihar), Phone: 0612-2211619
- PAN- AAFPM6947D; STC No.- AAFPM6947DST001; ICAI FRN- 500107N



Free Reserves	-	-
Securities Premium Account	-	-
Less: Accumulated Losses	(112,642,461.00)	(39,842,347.00)
Net Worth	(38,792,461.00)	21,270,393.00

*Pursuant to the Scheme of Arrangement for internal re- organization of the capital structure of the company whereby 90% of the paid-up equity share capital of the company will be written- off by reducing the face value from Rs. 10/- each fully paid up to Re. 1/- each, against portion of accumulated past losses and thereafter amalgamation of Kimia Biosciences Limited (the Transferor Company) under a Scheme of arrangement approved by the BOD of the company dt.02/08/2016 with and into the Company (the Transferee Company).

We declare that the post arrangement networth(projected) has been declared in accordance with the Standard on Assurance Engagements (SAE)3400,"The Examination of Prospective Financial Information" , issued by the Institute of Chartered Accountants of India. We also state that based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the proposed post arrangement networth. Further, in our opinion the post arrangement proposed networth is computed on the basis of the assumptions as setout here-in-above in line with historical financial statements, using appropriate accounting principles. Actual results may or may not be different from the proposed post arrangement networth since anticipated events may not occur as expected and the variation may be material.

The Certificate is being issued at the request of the Company for onward submission to the Stock Exchange(s) and SEBI with a view to obtain the no-objection as required under Regulation 37 of the Listing Regulations, 2015.

For A.K.JALAN & ASSOCIATES,
Chartered Accountants
(Firm Registration No.500107N)

CA A.K.JALAN,FCA
Partner
(Membership No. 052776)
Place: New Delhi - 110005
Date: 08/09/2016

#Certificate No.02/09/16/639

1. Regulation 2(1)(v) of the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009,as amended upto date : "net worth" means the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account;

