

**STRICTLY PRIVATE & CONFIDENTIAL**

July 14, 2023

To,

To,  
**The Board of Directors,  
Sastasundar Ventures Limited**  
Azimganj House, 2nd Floor,  
7 Abanindra Nath Thakur Sarani  
(Formerly Camac Street),  
Kolkata – 700017, West Bengal

**The Board of Directors,  
Microsec Resources Private Limited**  
Azimganj House, 2nd Floor,  
7 Abanindra Nath Thakur Sarani  
(Formerly Camac Street),  
Kolkata – 700017, West Bengal

**The Board of Directors,  
Sastasundar Healthbuddy Limited**  
Innovation Tower, 5th Floor,  
Premises No. 16-315, Plot No. DH6/32,  
Action Area-1D, Newtown,  
Rajarhat, Kolkata-700156  
West Bengal

**Sub: Fairness Opinion on:**

- i. **Share entitlement ratio for the proposed demerger of 'Financial Services Business' of Sastasundar Ventures Limited into Microsec Resources Private Limited; and**
- ii. **Share exchange ratio for the proposed amalgamation of Sastasundar Healthbuddy Limited into Sastasundar Ventures Limited (post demerger as mentioned in point (i) above)**

Dear Sir(s),

We refer to our engagement letter dated July 12, 2023 and discussion wherein the management of Sastasundar Ventures Limited ('SVL'), Microsec Resources Private Limited ('MRPL' or 'Resulting Company') and Sastasundar Healthbuddy Limited ('SSHL' or 'Amalgamating Company') (hereinafter collectively referred to as the 'Management') has requested Fortress

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**Fortress Capital Management Services Pvt. Ltd.** CIN : U67120MH2004PTC145815

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Capital Management Services Private Limited (hereinafter referred to as “we” or “Fortress”), a SEBI Registered Category I Merchant Banker to give a fairness opinion on the share entitlement ratio for the proposed demerger of ‘Financial Services Business’ of SVL (‘Demerged Undertaking’ or ‘FS Business’) into MRPL and a share exchange ratio for the proposed amalgamation of SSSL into SVL (post demerger of FS Business of SVL into MRPL) recommended by SSPA & Co., Chartered Accountants (hereinafter referred to as “Valuer”) SVL, MRPL and SSSL are hereinafter collectively referred to as the ‘Companies’.

## 1. BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

1.1 We have been informed by the management of SVL, MRPL and SSSL (hereinafter collectively referred to as ‘the Management’) that they are considering the following restructuring proposal pursuant to a composite scheme of arrangement for demerger and amalgamation under section 230 to 232 and other relevant provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Scheme’):

**Part II of the Scheme** - Demerger of ‘Financial Services Business’ of Sastasundar Ventures Limited into Microsec Resources Private Limited; and

**Part III of the Scheme** - Amalgamation of Sastasundar Healthbuddy Limited into Sastasundar Ventures Limited (post demerger of FS Business of SVL) (hereinafter collectively referred to as ‘Proposed Transaction’)

1.2 Subject to necessary approvals, FS Business of SVL would be demerged into MRPL and thereafter SSSL would be amalgamated into SVL (post demerger of FS Business) with effect from the Appointed Date of April 01, 2023 (‘Appointed Date’).

1.3 MRPL is a wholly owned subsidiary of SVL and pursuant to the Scheme, the entire paid up share capital of MRPL as held by SVL is proposed to be cancelled. As a consideration for the proposed demerger of FS Business of SVL into MRPL, equity shareholders of SVL are proposed to be allotted equity shares of face value of INR 10 each fully paid up of MRPL. Further, as a consideration for the proposed amalgamation of SSSL into SVL, equity shareholders of SSSL are proposed to be allotted equity shares of face value of INR 10 each fully paid up of SVL.

### 1.4 SASTASUNDAR VENTURES LIMITED

Sastasundar Ventures Limited is a Core Investment Company (CIC). It operates through several subsidiaries with focus on healthcare and financial services sector.

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The equity shares of SVL are listed on BSE limited and the National Stock Exchange of India Limited.

**‘FINANCIAL SERVICES BUSINESS’ OF SASTASUNDAR VENTURES LIMITED**

We have been informed that the Financial Services Business of SVL mainly consists of financing of loans, investment in shares and securities, investment in real estate, financial consultancy, professional fees, wealth management, financial planning, distribution and related services.

**1.5 MICROSEC RESOURCES PRIVATE LIMITED**

MRPL, a wholly owned subsidiary of SVL, is registered with the Reserve Bank of India as a Non-Banking Finance Company.

The issued, subscribed, and fully paid-up share capital of the Resulting Company as on March 31, 2023, is INR 2,58,13,570 comprising of 25,81,357 equity shares of INR 10 each fully paid up.

**1.6 SASTASUNDAR HEALTHBUDDY LIMITED**

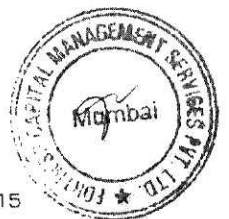
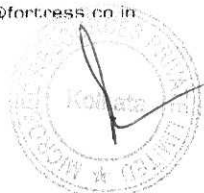
SSHL is engaged in the business of wholesale trading of medicinal products, healthcare products and other over the counter products.

The issued, subscribed, and fully paid-up share capital of the Amalgamating Company as on March 31, 2023, is INR 23,70,35,240 comprising of 2,37,03,524 equity shares of INR 10 each fully paid up.

1.7 In this regard Valuer was appointed to provide share entitlement ratio for the proposed demerger of the FS Business of SVL into MRPL and a share exchange ratio for the proposed amalgamation of SSHL into SVL (post demerger of FS Business of SVL into MRPL)

1.8 Accordingly, we have been appointed in the capacity of SEBI Registered Category I Merchant Banker to give a fairness opinion on share entitlement ratio and share exchange ratio for the Proposed Transaction recommended by the Valuer to comply with SEBI Guidelines.

1.9 The information contained in our report herein is confidential. It is intended only for the sole use of captioned purpose including for obtaining the requisite statutory approvals.



## 2. SOURCES OF INFORMATION

For the purposes of this exercise, we have relied upon the following sources of information:

- (a) Draft composite scheme of arrangement for demerger and amalgamation
- (b) Audited financial statements of the Companies for the period ended March 31, 2023.
- (c) Report dated July 14, 2023 issued by Valuer.
- (d) Such other information and explanations as we required and which have been provided by the Management including Management Representations and Valuer.

## 3. EXCLUSIONS AND LIMITATIONS

- 3.1 Our conclusion is based on the information furnished to us being complete and accurate in all material respects.
- 3.2 We have been represented by the Management of the Companies that the Companies have clear and valid titles of assets. No investigation on Companies' claim to the title of their assets has been made and their claim to such rights has been assumed to be valid.
- 3.3 Our work does not constitute verification of historical financials or include the working results of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.
- 3.4 Our opinion is not intended to and does not constitute a recommendation to any shareholders as to how such shareholders should vote or act in connection with the Scheme or any matter related therein.
- 3.5 The fee for the engagement and this report is not contingent upon the results reported.
- 3.6 Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this Opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement.
- 3.7 Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed merger with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

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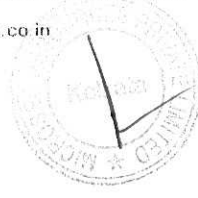
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- 3.8 Any person / party intending to provide finance / divest / invest in the shares / convertible instruments / business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 3.9 This Fairness Opinion ("Opinion") is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on the Opinion including any significant changes that have taken place or are likely to take place in the financial position of the Companies. Events and transactions occurring after the date of this Opinion may affect the opinion and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this Fairness Opinion.
- 3.10 We do not express any opinion as to the price at which shares of the Company may trade at any time, including subsequent to the date of this opinion.
- 3.11 This Fairness Opinion has been issued for the sole purpose to facilitate the Companies to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 relating to Scheme of Arrangement by Listed Entities, it shall not be valid for any other purpose and should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 3.12 Fortress nor its directors, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the fairness opinion is provided. All such parties expressly disclaim any and all liability for/or based on or relating to any such information contained in the fairness opinion.



**4. REVIEW OF DOCUMENTS**

For arriving at the opinion we have reviewed the following documents:

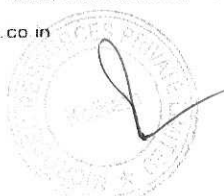
- Draft Scheme of Arrangement.
- Shareholding Pattern of Companies.
- Audited financial statements of the Companies for the period ended March 31, 2023.
- Report dated July 14 of Valuer.
- Explanation and information provided by the Management of Companies and Valuer.

**5. VALUATION METHODOLOGY ADOPTED BY VALUER**

Since all the shareholders of SVL are and will, upon proposed demerger of of 'FS Business' of SVL into MRPL, be the ultimate beneficial owners of MRPL in the same ratio (inter se) as they hold shares in SVL and

Post demerger of FS Business, SVL's only significant asset will be its ~72.14% equity stake in SSSL. Thus it can be stated that shareholders of SVL indirectly hold ~72.14% in SSSL. In consideration for the proposed amalgamation, SVL would issue equity shares to the equity shareholders of SSSL. Upon the effective date, pursuant to amalgamation of SSSL with SVL (post demerger of FS Business), the entire shareholding of SVL in SSSL will be cancelled and the other shareholders of SSSL viz. Rohto Pharmaceutical Co. Ltd, Japan and Mitsubishi Corporation, Japan ('Other Shareholders') should be issued such number of equity shares of SVL that their economic interest in SSSL remains same as it was before amalgamation.

We understand that in the Proposed Transaction there is no impact on the shareholding pattern of Other Shareholders of SSSL, a mirror image shareholding will be created in case of amalgamation, beneficial ownership of shareholders will remain same, and therefore Valuer has not adopted any valuation methods to Value SSSL and of SVL (post demerger of FS Business).



## 6. CONCLUSION

On the basis of and subject to the foregoing, to the best of our knowledge and belief and based on the information and explanation provided to us, in our opinion, since all the shareholders of SSSL are and will, after Proposed Transaction, remain ultimate beneficial owners of SVL in the same ratio (inter-se) as they hold shares of SSSL directly/indirectly prior to the amalgamation of SSSL with SVL. The following Share Entitlement Ratio and Share exchange ratio **recommended by Valuer is fair:**

### Part II of the Scheme - Demerger of 'FS Business' of SVL into MRPL

1 (One) equity share of INR 10 each fully paid up of MRPL for every 3 (Three) equity shares of INR 10 each fully paid up held in SVL

### Part III of the Scheme - Amalgamation of SSSL into SVL (post demerger of FS Business of SVL)

66,26,314 equity shares of INR 10 each fully paid up of SVL for 35,62,064 equity shares of INR 10 each fully paid up held by Rohto Pharmaceutical Co. Ltd, Japan in SSSL

56,57,565 equity shares of INR 10 each fully paid up of SVL for 30,41,300 equity shares of INR 10 each fully paid up held by Mitsubishi Corporation, Japan in SSSL

Thanking you,

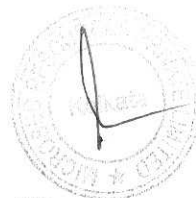
Yours faithfully,

**For Fortress Capital Management Services Pvt. Ltd.**

*Hiten M. Joshi*  
**Authorized Signatory**

Place: Mumbai

SEBI Registration No.: INM000011146



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