**FAIRNESS OPINION REPORT**

**ON**

**VALUATION OF SHARE EXCHANGE RATIO**

**FOR**

**THE PURPOSE OF PROPOSED AMALGAMATION**

**OF**

**MANGALAM LABORATORIES PRIVATE LIMITED ("MLPL")**
**("FIRST TRANSFEROR COMPANY")**

**AND**

**SHRI JB PHARMA PRIVATE LIMITED ("SJPPL")**
**("SECOND TRANSFEROR COMPANY")**

**WITH**

**MANGALAM DRUGS AND ORGANICS LIMITED ("MDOL")**
**("TRANSFEREE COMPANY")**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (IF ANY)**

**BY**

Navigant


**Navigant Corporate Advisors Limited**
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**SEBI Registered Category I Merchant Banker**

**SEBI Registration No. INM000012243**


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## Notice to Reader

Navigant Corporate Advisors Limited ("Navigant" / "NCAL" or "Authors of the Report) is a SEBI registered 'Category I' Merchant banker in India and was engaged by Board of Directors of Mangalam Drugs And Organics Limited ("MDOL" or "Transferee Company") to prepare an Independent Fairness Opinion Report ("Report") with respect to providing an independent opinion and assessment as to fairness of Share Exchange Ratio / Swap Ratio determined by Nitish Chaturvedi Registered Valuer (Securities or Financial Assets) IBBI Registration No. IBBI//RV/03/2020/12916 (referred to as "Valuer") an Independent Valuer for the purpose of Amalgamation of Mangalam Laboratories Private Limited ("MLPL" / "First Transferor Company") and Shri JB Pharma Private Limited ("SJPPL" or "Second Transferor Company") with Mangalam Drugs And Organics Limited ("MDOL" or "Transferee Company") pursuant to a Scheme of Amalgamation under section 230 to 232 read with other relevant provisions of the Companies Act, 2013 ("Scheme"). MDOL, MLPL and SJPPL are collectively referred as "Companies".

The Fairness Opinion Report ("Report") has been prepared on the basis of the review of information provided to Navigant and specifically the Report on Share Exchange Ratio / Swap Ratio (hereinafter referred as Valuation Report) prepared by Valuer on an independent basis. This report is limited to provide its fairness opinion on the Valuation Report.

The information contained in this Report is selective and is subject to updations, expansions, revisions and amendment. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.

This Report is based on data and explanations provided by the management and certain other data pulled out from various websites believed to be reliable. Neither the Company nor Navigant, nor affiliated bodies corporate, nor the directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such parties and entities expressly disclaim any and all liability for or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients' use of this Report.

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**Date: March 15, 2024**

To,
The Board of Directors,
**Mangalam Laboratories Private Limited**
Rupam Building, 3rd Floor, 239, P D'Mello Road Near GPO, Fort,
Mumbai, Maharashtra

To,
The Board of Directors
**Shri JB Pharma Private Limited**
Rupam Building, 3rd Floor, 239, P D'Mello Road Near GPO, Fort,
Mumbai, Maharashtra

To,
The Audit Committee & Board,
**Mangalam Drugs and Organics Limited**
Rupam Building, 3rd Floor, 239, P D'Mello Road Near GPO, Fort,
Mumbai, Maharashtra

Dear Members of the board,

## Engagement Background

We understand that the Board of Directors of Mangalam Laboratories Private Limited ("MLPL" / "First Transferor Company") and Shri JB Pharma Private Limited ("SJPPL" or "Second Transferor Company") with Mangalam Drugs And Organics Limited ("MDOL" or "Transferee Company") are considering a Scheme of Amalgamation under sections 230 to 232 read with other relevant provisions of the Companies Act, 2013 of Mangalam Laboratories Private Limited ("MLPL" / "First Transferor Company") and Shri JB Pharma Private Limited ("SJPPL" or "Second Transferor Company") with Mangalam Drugs And Organics Limited ("MDOL" or "Transferee Company") and their respective shareholders and creditors (if any) ("the Scheme") for Amalgamation/ Merger under the provisions of Sections 230 to 232 read with other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, as may be applicable, for Amalgamation of MLPL and SJPPL & vesting of the same in MLPL and SJPPL on a going concern basis.

We understand that the Valuation as well as the swap ratio thereof is based on the Valuation Certificate dated March 15, 2024 issued by Nitish Chaturvedi Registered Valuer (Securities or Financial Assets) IBBI Registration No. IBBI//RV/03/2020/12916 (referred to as 'Valuer').

We, Navigant Corporate Advisors Limited, a SEBI registered Category-I Merchant Banker, have been engaged by MDOL to give a fairness opinion ("Opinion") on Valuation Certificate dated March 15, 2024 issued by Nitish Chaturvedi Registered Valuer (Securities or Financial Assets) IBBI Registration No. IBBI//RV/03/2020/12916 (referred to as 'Valuer').

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## Background of the Companies

**Mangalam Laboratories Private Limited ("MLPL" / "First Transferor Company")**

- MLPL is a Private Limited Company having Corporate Identity Number U99999MH1988PTC049485, incorporated under the Companies Act, 1956 on 03rd November, 1988 under the name and style of 'Mangalam Laboratories Private Limited', and deemed to exist within the purview of the Companies Act, 2013. The Registered Office of the First Transferor Company is situated at 239, 3rd Floor, Rupam Building, P'D Mello Road, Near G.P.O., Mumbai – 400001, Maharashtra, India.
- The Company is engaged in the business of dealing in organic and inorganic chemicals and heavy chemicals including but not limited to other pharmaceutical products. The First Transferor Company is a Wholly Owned Subsidiary of the Transferee Company.

**Shri JB Pharma Private Limited ("SJPPL" or "Transferor Company"):**

- SJPPL was initially incorporated as Limited Liability Partnership under the Limited Liability Partnership Act, 2008. However, on 09th May, it has been converted to a Private Limited Company under the Companies Act, 2013 with Corporate Identification Number U21001MH2023PTC402579.The registered office of the Rupam Building, 3rd Floor, 239, P D'Mello Road Near GPO, Fort, Mumbai, Maharashtra.
- The Company is engaged in the business of buying, retailing and whole-selling all kinds of pharmaceuticals, pharmaceutical line chemicals, pharmaceutical products and bulk drugs.
- The Company is one of the Promoter of the Transferee Company and holds 26,50,000 Equity Shares of Rs. 10/- each thereby aggregating to 16.74 % in Share Capital of the Transferee Company.

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## Mangalam Drugs And Organics Limited (“MDOL” or “Transferee Company”)

- MDOL having Corporate Identification Number L24230MH1972PLC116413 is a public limited company incorporated on 18th April 1972 and having its registered office at Rupam Building, 3rd Floor, 239, P D'Mello Road Near GPO, Fort, Mumbai, Maharashtra.
- MDOL is engaged in the manufacturing of Active Pharmaceutical Ingredients (APIs) and Intermediates at VAPI – Gujarat in 1977. It has a multi-product manufacturing facility on two locations, and an in-house Research & Development laboratory recognized by the Department of Scientific & Industrial Research, Delhi Government of India (DSIR).
- Over the last three decades, MDOL has acquired worldwide reputation as a single stop destination for frontline Anti-malaria. They also have a diversified product range having synergies in operations and economies of scale. MDOL is amongst the top companies in Asia in all the products it makes; and is also the largest manufacturer of some of its products in the world.
- Equity shares of MDOL are listed on the Bombay Stock Exchange ("BSE").
- The shareholding pattern of MDOL as of 14th March 2024 is as under:

| Particulars | Total number of shares held | % shareholding |
|---|---:|---:|
| Promoter & Promoter Group | 79,64,046 | 50.32% |
| Public | 78,64,202 | 49.68% |
| **Total** | **1,58,28,248** | **100.00%** |

## Transaction Overview and Rational

All the Transferor Companies and the Transferee Company belong to the same Group who manage and control the business of these Companies and are largely engaged in same kind of business activities. Thus, the merger of Transferor Companies with the Transferee Company shall achieve following:

- Consolidation of business activities of all the Companies and will facilitate effective management of investments and synergies in operation.
- Economies of scale will play a bigger role as the consolidated entity's operational efficiency will increase, which will in turn allow the merged entity to compete on a larger scale in the industry, thus benefiting the merged entity and the shareholders.
- Better financial leverage, resulting in greater efficiency in cash and debt management and access to cash flow generated by the combined business, which can be deployed more efficiently to realize higher profits / margins for the combined entity;
- Integrated operational and marketing strategies, inter-transfer of resources / costs will result in optimum utilization of assets;
- Reducing number of entities in the group thereby reducing managerial overlaps, which are necessarily involved in running multiple entities; and
- Reduce regulatory and legal compliances / filings including accounting, reporting requirements, statutory and internal audit requirements, tax filings, etc. and consequential reduction in administrative costs;

There is no likelihood that any creditor of the Transferor Companies or the Transferee Company will be prejudiced as a result of the Scheme. The Scheme will neither impose any additional burden on the shareholders of the Transferor Companies, nor will it adversely affect the interests of any of the shareholders or creditors of the Transferor Companies and Transferee Company. Further, the Scheme is only for the Merger of the Transferor Companies with the Transferee Company and is not an arrangement with the creditors of any of the entities involved.

Accordingly, the Board of Directors of the Transferor Companies and the Transferee Company have formulated the Scheme for the transfer and vesting of all the assets and liabilities of the Transferor Companies with and into the Transferee Company pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof).

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## Information relied upon:

We have prepared the fairness opinion report on the basis of the information provided to us and inter alia the following:

- Share Exchange ratio report dated March 15, 2024 issued by Nitish Chaturvedi Registered Valuer (Securities or Financial Assets) IBBI Registration No. IBBI//RV/03/2020/12916 (referred to as ‘Valuer’);
- Other information and explanations as provided by the management.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the valuation report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. We understand that the Company has carried independent valuation of the asset of the Company Title to all subject business assets is assumed to be good and marketable and we would urge the company to carry out the independent assessment of the same.

We have been informed that all information relevant for the purpose of issuing the Fairness Opinion report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.

## Valuation Approaches and Methodologies:

- Valuer has performed the valuation analysis in accordance with ICAI Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ('IVS'). IVS 301 on Business Valuation deals with valuation of a business or business ownership interest (i.e., it includes valuation of equity shares).
- As the MLPL is wholly-owned subsidiary of the MDOL, no consideration shall be payable pursuant to the Merger by Absorption of MLPL with the Transferee Company, and the equity shares held by the MDOL in MLPL shall stand cancelled without any further act, application or deed.
- As per the Scheme, the equity shareholders of SJPPL will be issued 'Equity Shares' of MDOL as consideration for the proposed amalgamation. In accordance with IVS, to arrive at the fair share exchange ratio, it is required to determine the fair value of equity shares of SJPPL and fair value of equity shares of MDOL. These values are to be determined on a per share basis and are to be determined independently without considering the proposed transaction. The values are then to be assessed on a relative basis to determine the share exchange ratio.
- For the purpose of valuation, it is necessary to select an appropriate basis of valuation amongst the various valuation techniques. It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. The application of any particular method of valuation depends upon various factors including the size of company, nature of its business and purpose of valuation. Further, the concept of valuation is all about the price at which a transaction takes place i.e., the price at which seller is willing to sell and buyer is willing to buy. Accordingly, a fair and reasonable approach for valuing the shares of the company is to use a combination of these methods.
- IVS 301 read with IVS 103 specifies that generally the following three approaches for valuation of business / business ownership interest are used:
    - Cost Approach
    - Market Approach
    - Income Approach

**<u>Cost Approach – Net Asset Value (NAV) method</u>**

- The value under cost approach is determined based on the underlying value of the assets which could be on book value basis, replacement cost basis or on the basis of realizable value. Under NAV method, total value of the business is based either on net asset value or realizable value or replacement cost basis. The Adjusted NAV method determines the value of the business by replacing the book value of the assets with their fair values, to the extent applicable. NAV methodology is most applicable for the business where the value lies in the underlying assets and not the ongoing operations of the business.
- Valuer has applied the NAV method to determine the value of shares of MDOL. However, valuer has not assigned any weight to it as the Company is a going concern and this method does not capture the future earning capacity of MDOL.
- Valuer has not considered the NAV method to determine the value of shares of SJPPL as this method does not capture the future earning capacity of the business.

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**Income Approach – Discounted Cash Flows (DCF) method**

- Under the Income Approach, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalization. DCF Method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. FCFF or free cash flows to the firm ("FCFF") represents the cash available for distribution to both the owners and the creditors of the business. Risk-adjusted discount rate or Weighted Average Cost of Capital ("WACC") is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & bank balance and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the company.
- Valuer has considered the DCF method to determine the value of shares of MDOL and SJPPL as the going concern assumption is valid, cash flows are estimable for future period and relevant projections, inputs and assumptions are available for valuation. Moreover, DCF method is more scientific in nature and hence has been considered for valuation.

**Market Approach – Comparable Companies' Multiple (CCM) method**

- Under CCM Method, the value of shares of the subject company is determined on the basis of multiples derived from valuations of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. The Comparable Companies' Multiple Method arrives at the value of the company by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences, such as growth potential, past track record, size, company dynamics, etc.
- As informed by management, there are no companies listed on stock exchanges operating in similar business line as SJPPL thus making the method ineffective for use for the said valuation purpose. Considering this, valuer has not considered the CCM method of valuation to determine the value of shares of SJPPL.
- However, based on the discussion with Management we understand that there are comparable listed companies operating in the similar business line as MDOL and valuer has have considered CCM method of valuation to determine the value of shares of MDOL.

**Market Approach – Market Price method**

- Under the Market Price method, the market price of an equity share as quoted on a recognized Stock Exchange is normally considered as the value of the equity shares of that company, where such quotations are arising from the shares being regularly and frequently traded. Generally, market value is reflective of the investors' perception about the actual worth of the company. However, in certain situations, the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further in case of amalgamation, where the value of shares of one company is required to be evaluated against the value of shares of another company, the volume of shares traded and

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available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

- Regulation 164(5) of Chapter IV of SEBI ICDR Regulations reads as under-

  For the purpose of this Chapter, "Frequently traded shares" means shares of the issuer, in which the traded turnover on any recognised stock exchange during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of the shares of the issuer.

  Explanation: For the purpose of this regulation, 'stock exchange' means any of the recognized stock exchange(s) in which the equity shares of the issuer are listed and in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the relevant date."

  The equity shares of the Company are traded on the BSE. However, as per Explanation to regulation 164(5) of the SEBI ICDR Regulations, the exchange on which higher trading volume of equity shares during the preceding 90 trading days prior to the relevant date, is recorded, is to be considered for the pricing computation.

  Since, MDOL is a listed company and equity shares of MDOL are traded on BSE over a reasonable period, valuer has considered Market Price method to determine the value of equity shares of MDOL. We understand that the shares are frequently traded as per SEBI ICDR Regulations.

- Valuer has been informed by the management of MDOL that the date of the board meeting is 15th March 2024. Valuer has therefore considered the relevant date as 14th March 2024 for the said purpose. Valuer has considered equity share prices upto i.e., trading day preceding to the relevant date for undertaking the valuation analysis.

- We understand that the shares of MDOL are traded on BSE and NSE both and valuer has therefore considered the trading volume and share prices as per NSE to compute the Applicable Minimum Price based on the regulations 164(1) of the SEBI ICDR regulations. Valuer has determined the applicable minimum price under ICDR Guidelines.

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**Basis of Valuation and Assumptions made by the valuer:**

**The valuation is based, on the aforesaid methods as described below:**

## VALUATION OF MDOL:

The Fair Equity Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of the Companies based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations. Valuer has independently applied methods discussed above, as considered appropriate, i.e., NAV Method and Discounted Cash Flow Method for SJPPL and NAV Method, DCF method, CCM Method and Market Price Method for MDOL, and arrived at the assessment of the value per equity share of SJPPL and MDOL.

In determining the fair value per share of MDOL valuer has used NAV Method, DCF Method, CCM Method and Market Price Method and have assigned Nil, 25%, 25% and 50% weights to each method respectively.

As per the Discounted Cash Flow Method, the fair value of the company is determined based on its future ability to generate future cash flows. The company has been constantly growing in terms of revenue and expects the same growth in future at a steady rate. Hence, valuer has assigned 25% weight to it in determining the fair value per share of MDOL.

In the comparable companies method, the value of the company is determined by comparing the company's relative valuation with that of other companies of the same industry, size and risk. The competitors identified are of different size and risk. Hence, valuer has assigned 25% weight to Comparable Companies Method

In Case of frequently traded shares of a company the value of the shares is also determined as per regulation 164A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (ICDR Regulations). Since Mangalam Drugs is a frequently traded company valuer has used Market price method. Valuer has assigned 50% weight to the Market price method as this reflects the market sentiments in a better way.

## VALUATION OF SJPPL:

In determining the fair value per share of SJPPL valuer has used NAV Method and DCF Method and has assigned 100% weights to DCF Method.

As per the Net Asset Value Method, the fair value of the company is determined by subtracting the total fair value of liabilities from the total fair value of assets. In case of SJPPL, the assets majorly include the investments made in various entities. Since valuer has considered the fair value of investments in determining the value as per DCF Method, valuer has assigned Nil weight to NAV Method.

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As per the Discounted Cash Flow Method, the fair value of the company is determined based on its future ability to generate future cash flows. The company is expecting to grow in terms of revenue and margins in future. Hence, valuer has assigned 100% weight to it in determining the fair value per share of SJPPL.

In the Comparable Companies' method, the value of the company is determined by comparing the company's relative valuation with that of other companies of the same industry, size and risk. SJPPL does not have any revenue in FY 2022-23 and till the valuation date. Hence, valuer has not considered the CCM Method to determine the fair value per share of SJPPL.

**Conclusion ratio:**

***"*"For every 1 equity share of SJPPL 265 equity shares of MDOL will be issued".***

## Exclusions and Limitations

Our opinion and analysis are limited to the extent of review of the valuation report by the valuer and the Draft scheme document. In connection with the opinion, we have reviewed:

A) Draft Scheme Document
B) Valuation Report dated March 15, 2024 issued by Nitish Chaturvedi Registered Valuer (Securities or Financial Assets) IBBI Registration No. IBBI//RV/03/2020/12916.
C) Audited financial statements of MLPL and SJPPL for the period ended 31st December, 2023.
D) Management Certified financial statements with Limited Review Report of MDOL for the period ended 31st December, 2023
E) Projected financials of MDOL for the period 01st January, 2024 till 31st March 2028.
F) Projected financials of SJPPL for the period 01st January, 2024 till 31st March, 2028.
G) Held discussions with the valuer, in relation to the approach taken to valuation and the details of various methodologies utilized by them in preparing the valuation report and recommendations;

This opinion is intended only for the sole use and information of MDOL, MLPL and SJPPL in connection with the Scheme, including for the purpose of obtaining judicial and regulatory approvals, and for no other purpose. We are not responsible in any way to any person/party/statutory authority for any decision of such person or party or authority based on this opinion. Any person/party intending to provide finance or invest in the shares/business of either MDOL, MLPL and SJPPL or their subsidiaries /joint ventures/associates 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.

For the purpose of this assignment, Navigant has relied on the Valuation Certificate for the proposed "Scheme of Amalgamation" of MDOL, MLPL and SJPPL their respective shareholders and information and explanation provided to it, the accuracy whereof has not been evaluated by Navigant. Navigant's work does not constitute certification or due diligence of any past working results and Navigant has relied upon the information provided to it as set out in working results of the aforesaid reports.

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Navigant has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification and availability of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of MDOL, MLPL and SJPPL, to the Stock Exchange, NCLT, and to the Registrar of Companies or any other Appropriate Authority. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed scheme of Amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies.

The report has been prepared solely for the purpose of giving a fairness opinion on Valuation Certificate issued for the proposed Scheme of Amalgamation between MDOL, MLPL and SJPPL their respective shareholders and Creditors, if any and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us.

The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to this date.

One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose.

We have assumed that the Final Scheme will not differ in any material respect from the Draft Scheme Document shared with us.

Our opinion is based on the estimates of future financial performance as projected by the Company Management / valuer, which represents their view of reasonable expectation at the point of time when they were prepared, but such information and estimates are not offered as assurances that the particular level of income or profit will be achieved or events will occur as predicted. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections as projected by the management / valuer for their working purposes, should not be construed or taken as our being associated with or a party to such projections.

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We do not express any opinion as to any tax or other consequences that might arise from the Scheme on MDOL, MLPL and SJPPL and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which MDOL, MLPL and SJPPL and/or their associates/ subsidiaries, are or may be party.

The company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion. Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme or any matter thereto.

## Our Fairness Opinion:

Based upon valuation work carried out by Nitish Chaturvedi Registered Valuer (Securities or Financial Assets) IBBI Registration No. IBBI//RV/03/2020/12916 (referred to as 'Valuer') we are of the opinion that the purpose of the proposed Amalgamation of MDOL and SJPPL is fair, from a financial point of view.

The fairness of the Proposed Amalgamation / Merger is tested by:

(1) Considering whether the Valuation methods adopted by Nitish Chaturvedi Registered Valuer (Securities or Financial Assets) IBBI Registration No. IBBI//RV/03/2020/12916 (referred to as 'Valuer') depict a correct picture on the value of shares of all companies;
(2) Calculating the fair market value of companies;
(3) Considering qualitative factors such as economies of scale of operations, synergy benefits that may result from the proposed Amalgamation / Merger of MDOL, MLPL and SJPPL.

The rationale for Share Exchange ratio as explained above, as assumed by Nitish Chaturvedi Registered Valuer (Securities or Financial Assets) IBBI Registration No. IBBI//RV/03/2020/12916 (referred to as 'Valuer') is justified. We are in opinion that, Nitish Chaturvedi Registered Valuer (Securities or Financial Assets) IBBI Registration No. IBBI//RV/03/2020/12916 (referred to as 'Valuer') has fairly estimated the fair value of companies and has covered all the aspects required for the valuation exercise.

This being of our best of professional understanding, we hereby sign the Fairness Opinion report on valuation.

**For Navigant Corporate Advisors Limited**

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**Sarthak Vijlani**
**Managing Director**
**Date: March 15, 2024**
**Place: Mumbai**