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STRICTLY PRIVATE & CONFIDENTIAL

July 14, 2023

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

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

To,
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

Dear Sir(s)/ Madam(s),

Re: Report on:

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

We refer to the addendum to the engagement letter dated July 11, 2023 read with engagement letter dated February 07, 2023, whereby, SSPA & Co., Chartered Accountants (hereinafter referred to as 'SSPA' or 'Valuer' or 'We') has been appointed by the management of Sastasundar Ventures Limited ('SVL'), Microsec Resources Private Limited ('MRPL' or 'Resulting Company') and Sastasundar Healthbuddy Limited ('SSHL' or 'Amalgamating Company') to issue a report recommending a fair share entitlement ratio for the proposed demerger of 'Financial Services Business' of SVL ('Demerged Undertaking' or 'FS Business') into MRPL and a fair share exchange ratio for the proposed amalgamation of SSHL into SVL (post demerger of FS Business of SVL into MRPL).

(SVL, MRPL and SSHL are hereinafter collectively referred to as the 'Companies').



1. SCOPE AND PURPOSE OF THIS REPORT

- 1.1 We have been informed by the management of SVL, MRPL and SSHL (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 SSHL 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 SSHL into SVL, equity shareholders of SSHL are proposed to be allotted equity shares of face value of INR 10 each fully paid up of SVL.
- 1.4 We had issued our report on recommendation of fair share entitlement ratio for the proposed demerger of FS Business into MRPL and a fair share exchange ratio for the proposed amalgamation of SSHL into SVL (post demerger of FS Business of SVL into MRPL) ('Report') dated March 27, 2023, to the board of the Companies for the Proposed Transaction. The management of the Companies have requested us to issue an updated Report for the Proposed Transaction.
- 1.5 In this regard, we have been requested to issue a report containing recommendation of fair share entitlement ratio and of fair share exchange ratio for the Proposed Transaction.

2. BRIEF BACKGROUND

2.1. SASTASUNDAR VENTURES LIMITED

Sastasundar Ventures Limited is an unregistered Core Investment Company (CIC). It operates



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through several subsidiaries with focus on healthcare and financial service sectors.

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.

2.2. 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.

2.3. 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.

3. REGISTERED VALUER - SSPA & CO., CHARTERED ACCOUNTANTS

SSPA, is a partnership firm, located at 1st Floor, "Arjun", Plot No. 6A, V. P. Road, Andheri (West), Mumbai - 400 058, India. SSPA is engaged in providing various corporate consultancy services.

SSPA is a firm of practicing Chartered Accountants registered with The Institute of Chartered Accountants of India ('ICAI'). SSPA is also registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class – 'Securities or Financial Assets' with Registration No. IBBI/RV-E/06/2020/126.



4. SOURCES OF INFORMATION

For the purpose of this exercise, we have relied upon the following sources of information received from the Management and information available in the public domain:

- (a) Draft composite scheme of arrangement for demerger and amalgamation
- (b) Audited financial statements of the Companies for the financial year ('FY') 2022-23.
- (c) Management certified statement of assets and liabilities of Financial Services Business of SVL as on March 31, 2023.
- (d) Such other information and explanations as we required and which have been provided by the Management, including Management Representations.

5. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS, AND DISCLAIMERS

- 5.1. Our report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further, our report containing recommendation of fair share entitlement ratio and fair share exchange ratio for the Proposed Transaction is in accordance with ICAI Valuation Standards 2018 issued by The Institute of Chartered Accountants of India.
- 5.2. This report has been prepared for the Board of Directors of SVL, of MRPL and of SSSL solely for the purpose of recommending a fair share entitlement ratio and fair share exchange ratio for the Proposed Transaction.
- 5.3. The report assumes that the Companies comply fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations.
- 5.4. The draft of the present report was circulated to the Management (excluding the recommended fair share entitlement ratio and fair share exchange ratio) for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.
- 5.5. For the purpose of this exercise, we were provided with both written and verbal information including information detailed hereinabove in para 'Sources of Information'. Further, the responsibility for the accuracy and completeness of the information provided to us by the Companies and / or its auditors / consultants, is that of the Management. Also, with respect



to explanations and information sought from the Companies, we have been given to understand by the Management that they have not omitted any relevant and material information about the Companies. The Management have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our conclusions.

- 5.6. Our work does not constitute an audit, due diligence, or certification of these information referred to in this report including information sourced from public domain. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any information referred to in this report and consequential impact on the present exercise. However, we have evaluated the information provided to us by the Companies through broad inquiry, analysis, and review. However, nothing has come to our attention to indicate that the information provided / obtained was materially misstated / incorrect or would not afford reasonable grounds upon which to base the report.
- 5.7. This report 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 report 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 report may affect the report and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this report.
- 5.8. We are independent of the Companies and have no current or expected interest in the Companies or its assets. The fee paid for our services in no way influenced the results of our analysis.
- 5.9. Our report is not, nor should it be construed as our opining or certifying the compliance with the provisions of any law including companies, competition, taxation, and capital market related laws or as regards any legal implications or issues arising in India or abroad from the Proposed Transaction.
- 5.10. 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.
- 5.11. The decision to carry out the Proposed Transaction (including consideration thereof) lies



entirely with the parties concerned and our work and our finding shall not constitute a recommendation as to whether or not the parties should carry out the Proposed Transaction.

- 5.12. Our Report is meant for the purpose mentioned in Para 1 only and should not be used for any purpose other than the purpose mentioned therein. It is exclusively for the use of the Companies and may be submitted to National Company Law Tribunal /regulatory/statutory authority for obtaining requisite approvals. The Report 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 SSPA assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 5.13. SSPA nor its partners, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness, or completeness of the information, based on which this report is issued. We owe responsibility only to the Companies that has appointed us under the terms of the Engagement Letter. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions, or advice given by any other person. In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or wilful default on part of the client or companies, their directors, employees, or agents.

6. RECOMMENDATION OF SHARE ENTITLEMENT RATIO AND SHARE EXCHANGE RATIO

Based on discussions with the Management, the share entitlement / share exchange ratio has been determined as follows:

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

- 6.1.1. As mentioned in Para 1.3 above, in consideration for the proposed demerger, MRPL would issue equity shares to the equity shareholders of SVL.

We understand that the management of SVL and of MRPL have considered following parameters while arriving at the share entitlement ratio:

- i. Alternative capital structures for MRPL;
- ii. Future equity servicing capacity of MRPL i.e payment of dividend to shareholders in future;
- iii. Easily comprehensible to the shareholders;
- iv. Optimum share capital of MRPL keeping in mind raising of capital by MRPL in future; and



- v. Net Assets of FS Business of SVL proposed to be transferred to MRPL as a percentage to total Net Assets of SVL as on March 31 2023.

Accordingly, the management of SVL and of MRPL has recommended the following share entitlement ratio in consideration for the proposed demerger i.e. 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

We believe that the aforementioned share entitlement ratio is fair considering that all the shareholders of SVL are and will, upon proposed demerger, be the ultimate beneficial owners of MRPL in the same ratio (inter se) as they hold shares in SVL.

- 6.1.2. As mentioned above, post the proposed demerger all the shareholders of SVL are and will be the ultimate beneficial owners of MRPL in the same ratio (inter se) as they hold shares in SVL. Therefore, no relative valuation of FS Business Undertaking and of MRPL is required to be undertaken for the proposed demerger. Accordingly, valuation approaches as indicated in the format (as attached herewith as **Annexure I** to this report) as prescribed by circular number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE have not been undertaken as they are not relevant in the instant case.

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

- 6.2.1. The shareholding pattern of SSSL as on date is as under:

Particulars	No. of equity shares	% stake
Sastasundar Ventures Limited	1,71,00,160	72.14%
Rohto Pharmaceutical Co. Ltd, Japan	35,62,064	15.03%
Mitsubishi Corporation, Japan	30,41,300	12.83%
Total	2,37,03,524	100%

- 6.2.2. 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.

As mentioned in Para 1.3 above, 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 no valuation of SSSL and of SVL (post demerger of FS Business) is required.

Accordingly, valuation approaches as indicated in the format as prescribed by circular number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE have not been undertaken as they are not relevant in the instant case.

- 6.2.3. Based on the above in the event of amalgamation of SSSL with SVL, we recommend a fair share exchange ratio as follows:

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

We believe that the aforementioned share exchange ratios are fair considering that all the shareholders of SSSL are and will, upon amalgamation, 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.

- 6.2.4. As mentioned in Para 6.2.2 valuation approaches are not applicable. Accordingly, the prescribed format (as attached herewith as **Annexure II** to this report) as required by circular number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE have not been undertaken.

7. CONCLUSION

- 7.1. The share entitlement ratio in consideration for the proposed demerger i.e. demerger of 'FS Business' of SVL into MRPL as recommended by the Management of SVL and of MRPL is:

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

We believe that the aforementioned share entitlement ratio is fair considering that all the shareholders of SVL are and will, upon proposed demerger, be the ultimate beneficial owners of MRPL in the same ratio (inter se) as they hold shares in SVL.



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- 7.2. In the event of proposed amalgamation of SSSL with SVL (post demerger of FS Business), we recommend a fair share exchange ratio as follows:

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

We believe that the aforementioned share exchange ratios are fair considering that all the shareholders of SSSL are and will, upon amalgamation, 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.

Thanking you,
Yours faithfully,

For SSPA & CO.

Chartered Accountants

ICAI Firm registration number: 128851W

IBBI Registered Valuer No.: IBBI/RV-E/06/2020/126

Parag S. Ved



Parag Ved
Partner

ICAI Membership No. 102432

Registered Valuer No.: IBBI/RV/06/2018/10092

UDIN: 23102432B9U4LN6301

Place: Mumbai



Annexure I

For Demerger of 'FS Business' of SVL into MRPL

Valuation Approach	Financial Services Business Undertaking of SVL		MRPL	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative value per share	NA		NA	

NA = Not Adopted / Not Applicable



Annexure II

For Amalgamation of SSSL into SVL (post demerger of FS Business of SVL)

Valuation Approach	SSHL		SVL (Post Demerger)	
	Value per share (INR)	Weight	Value per share (INR)	Weight
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative value per share	NA		NA	

NA = Not Adopted / Not Applicable



SASTASUNDAR VENTURES LIMITED

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Email: info@sastasundar.com; Website: www.sastasundarventures.com
CIN: L65993WB1989PLC047002

Date: 19-07-2023

The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001

BSE Scrip Code: 533259

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

NSE Symbol: SASTASUNDR

Dear Sir,

Sub: Confirmation

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations") for the proposed Composite Scheme of Arrangement amongst Sastasundar Ventures Limited ("Demerged Company / Amalgamated Company"), Microsec Resources Private Limited ("Resulting Company") and Sastasundar Healthbuddy Limited ("Amalgamating Company") ("Scheme")

In connection with the above application, we hereby confirm that:

No material event impacting the valuation has occurred during the intervening period of filing the scheme documents with the Stock Exchanges and period under consideration for valuation.

Thanking You,

Yours faithfully,

For Sastasundar Ventures Limited

Pratap Singh

Pratap Singh
Company Secretary & Compliance Officer

