

# RBSA Valuation Advisors LLP

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## SCOPE, ASSUMPTIONS, EXCLUSIONS, LIMITATIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. These services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The scope of our services is to recommend a Share Exchange Ratio for the Proposed Transaction. Valuation Standards ("ICAI VS") issued by the Institute of Chartered Accountants of India has been adopted for the valuation.

The recommendation contained herein is as at the date of the Report ("Valuation Date") and is not intended to represent value at any time other than the date of the Report.

This Report, its contents and the results herein are (i) specific to the purpose of valuation agreed as per the terms of our engagement; (ii) the Valuation Date and (iii) are based on the information provided in the section - Sources of Information. We have been informed by the Management that the business activities of the Specified Companies have been carried out in the normal and ordinary course between June 30, 2022 and the Report date and that no material changes have occurred in their respective operations and financial position between June 30, 2022 and the Report date.

An analysis of this nature is necessarily based on the information made available to us, the prevailing stock market, financial, economic, and other conditions in general and industry trends in particular, as of the Valuation Date. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

The recommendation rendered in this Report only represents our recommendation based upon information till date, furnished by the Management (or their representatives) and other sources and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

Valuation of a business or an entity is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. There is, therefore, no single undisputed Share Exchange Ratio. While we have provided our recommendation of the Share Exchange Ratio based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for the determination of the Share Exchange Ratio at which the Proposed Transaction shall take place will be with the Board of Directors of the Specified Companies who should take into account other factors such as their own assessment of the Proposed Transaction and inputs from other advisors.

The Report assumes that the Specified Companies complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that they will be managed in a competent and responsible manner. Further, unless 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 and other contingent liabilities that are not recorded/ reflected in the financial statements provided to us.

We have relied on the assessment of the Management as regards to contingent and other liabilities.



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In the course of our valuation, we were provided with both written and verbal information. We have evaluated the information provided to us by/ on behalf of the Management through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Management. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Further, with respect to the information and explanation sought for the Specified Companies, we have been given to understand by the Management that they have not omitted any relevant or material information. Our conclusions are based on the assumptions and information given by/on behalf of the Management. The Management has indicated to us that they have understood that any omissions, inaccuracies, or misstatements may materially affect our valuation analysis/results.

This Report does not analyse the business/ commercial reasons behind the Proposed Transaction nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction or other alternatives or whether such alternatives could be achieved or are available.

We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and / or reproduced in its proper form and context.

The valuation analysis is based on the exercise of judicious discretion by the valuer taking into account the relevant factors. There will always be several factors, e.g., management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the financial statements but could strongly influence the value.

No investigation/ inspection of the Specified Companies' claim to title of assets has been made for the purpose of this Report and the Specified companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the financial statements. Therefore, no responsibility is assumed for matters of a legal nature.

Neither this Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties other than in connection with the Scheme, without our prior written consent. This Report does not in any manner address the prices at which equity shares of the Specified Companies will trade following announcement of the Proposed Transaction and we express no opinion or recommendation as to how the shareholders of the Specified Companies should vote at the shareholders' meeting(s) to be held in connection with the Proposed Transaction.

This Report and the information contained in it is absolutely confidential and intended only for the sole use and information of the Board of Directors of NBIIFCL and WICCL in connection with the Proposed Transaction including for the purpose of obtaining regulatory approvals, as required under applicable laws of India, for the proposed amalgamation. Without limiting the foregoing, we understand that NBIIFCL and WICCL may be required to share this Report with their shareholders, regulatory or judicial authorities, in connection with the Proposed Transaction (together, "Permitted Recipients"). We hereby give consent to such disclosure of this Report, on the basis that the Valuer owes responsibility only to



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NBIIFCL and WICCL that have engaged us, under the terms of the engagement, and to no other person; and that, to the fullest extent permitted by law, the Valuer accepts no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and / or filing with Permitted Recipients, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by the Valuer of any responsibility or liability to any person/ party other than the Specified Companies.

The Management has informed us that:

- There are no unusual / abnormal events in the Specified Companies till the Report Date materially impacting their operating / financial performance. Further, the Management has informed us that all material information impacting the Specified Companies has been disclosed to us.
- There would be no material variation between the draft Scheme of Amalgamation and the final scheme submitted and approved by the relevant authorities.

We owe responsibility to only the Boards of Directors of NBIIFCL and WICCL that has appointed us under the terms of our engagement letter and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the Specified Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Specified Companies, their directors, employees or agents. In no circumstances shall the liability of a Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Valuation Report shall exceed the amount paid to the Valuer in respect of the fees charged by it for these services.

We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the Share Exchange Ratio. This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

Our Report can be used by the Board of Directors of NBIIFCL and WICCL only for the purpose, as indicated in this Report, for which we have been appointed. The results of our valuation analysis and our Report cannot be used or relied by NBIIFCL and/or WICCL for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person/ party for any decision of such person / party based on this Report. Any person / party intending to provide finance / invest in the shares / business of the companies / their holding companies/ subsidiaries/ associates/ investee companies/ other group companies, if any, 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. If any person/ party (other than the Specified Companies) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to the Valuer. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this Report or any part thereof, except for the purpose as set out earlier in this Report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.

The Management of NBIIFCL and WICCL have been provided with the opportunity to review the draft report (excluding the recommended Share Exchange Ratio) as part of our standard practice to make sure that factual inaccuracies / omissions are avoided in our final Report. The fee for the engagement is not contingent upon the results reported. This Report is subject to the laws of India and should be used in connection with the Scheme.



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## BASIS OF FAIR SHARE EXCHANGE RATIO

The Proposed Transaction contemplates the amalgamation of WICCL into NBIIFCL on a 'going concern value' premise, pursuant to the Scheme. Arriving at the Share Exchange Ratio for the Proposed Transaction would require determining the value of the equity shares of the Specified Companies, independently but on a relative basis, and without considering the Proposed Transaction.

The Share Exchange Ratio has been arrived at on the basis of a relative valuation based on the Net Assets method explained herein earlier and other qualitative factors relevant to each company and the business dynamics, having regard to information base, key underlying assumptions and limitations.

The computation of the Share Exchange Ratio is as under:

Valuation Approach	NBIIFCL		WICCL	
	INR per share #	Weight	INR per share @	Weight
Income Approach – DCF Method	NA	0%	NA	0%
Market Approach: Market Price Method	NA	0%	NA	0%
Market Approach: Comparable Companies Multiple Method	NA	0%	NA	0%
Asset Approach: Adjusted Net Asset Value Method	6,609	100%	2,07,076	100%
<b>Relative Value per Equity Share</b>	<b>6,609</b>	<b>100%</b>	<b>2,07,076</b>	<b>100%</b>

NA – Not Applicable

# Face value INR 5 each

@ Face value INR 100 each

On the basis of the foregoing and on consideration of the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Share Exchange Ratio for the amalgamation of WICCL into NBIIFCL:

**94 (Ninety four) fully paid-up Equity Shares of face value of INR 5 each of N.B.I. Industrial Finance Company Limited for every 3 (Three) fully paid-up Equity Shares of face value INR 100 each held in Western India Commercial Company Limited.**

The Share Exchange Ratio has been determined based on the capital structure of the Specified Companies as on the Report Date. In the event of any material change in the Scheme or capital structure of the Specified Companies, the Share Exchange Ratio may not remain valid.

Respectfully submitted,

For RBSA Valuation Advisors LLP  
(RVE No.: IBBI/RV-E/05/2019/110)

*R. Shah*

Partner  
Ravishu Vinod Shah  
Asset Class: Securities or Financial Assets  
(RV No.: IBBI/RV/06/2020/12728)  
Date: September 21, 2022  
Place: Mumbai



**WESTERN INDIA COMMERCIAL CO. LTD.**

CIN No. L67120WB1928PLC093924

21, STRAND ROAD, KOLKATA - 700 001

☎ : 2213 0957, 2243 7725, 2230 7905, 2230 9601/9604 (4 LINES), Fax : 033-2213 1650

E.mail : westernindiacommercialcoltd@gmail.com

**REPORT OF THE AUDIT COMMITTEE OF WESTERN INDIA COMMERCIAL COMPANY LIMITED DATED 21<sup>ST</sup> SEPTEMBER, 2022 HELD AT 21, STRAND ROAD, KOLKATA - 700001 CONSIDERING THE DRAFT SCHEME OF AMALGAMATION UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 BETWEEN WESTERN INDIA COMMERCIAL COMPANY LIMITED, N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**Present – Directors / Members**

1. Ravi Goenka Chairman of Audit Committee
2. T K Bhattacharya Member of Audit Committee

Other invitees and advisors / consultants were present at the meeting along with the Company Secretary at the meeting

**1.0 Background**

- 1.1 A meeting of the Audit Committee ('Committee') was held on 21<sup>st</sup> September, 2022, *inter-alia*, to consider and if thought fit, recommend to the Board of Directors ('Board') the proposed Scheme of Amalgamation ('Scheme') under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('the Act'), between Western India Commercial Company Limited (*hereinafter* referred to as 'the Transferor Company' or 'the Company' or 'Western India'), N.B.I. Industrial Finance Company Limited (*hereinafter* referred to as 'the Transferee Company' or 'N.B.I. Industrial') and their respective shareholders and creditors under the provisions of the Act.
- 1.2 The appointed date for the Scheme is 1st April, 2022 or such other date as may be mutually agreed to by the Board of the Company and the Transferee Company or such other date as may be fixed or approved by the National Company Law Tribunal, Kolkata Bench ('NCLT') or any other Appropriate Authority (as defined in the Scheme) and shall be operative from the Effective Date (as defined in the Scheme).
- 1.3 The Scheme will be presented before the NCLT under sections 230 to 232 and other applicable provisions of the Act and the rules made thereunder and will also be in compliance with section 2(1B) of the Income-tax Act, 1961 and Securities and Exchange Board of India Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23<sup>rd</sup> November 2021 ('SEBI Master Circular').
- 1.4 In terms of the SEBI Master Circular, a report from the Audit Committee is required recommending the draft Scheme, taking into consideration, *inter-alia*, the Valuation Report (as defined hereinafter), and commenting on the need for the amalgamation, rationale of the Scheme, impact of the Scheme on the shareholders, cost benefit analysis of the Scheme and synergies of business of the entities involved in the Scheme. This report of the Committee is made in order to comply with the requirements of the SEBI Master Circular.



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## 2.0 The Salient Features of the Scheme

The Scheme *inter-alia* provides for:

- 2.1 Amalgamation of the Company with the Transferee Company and consequent issue of equity shares by the Transferee Company to the shareholders of the Company in accordance with clause 10 of the Scheme.
- 2.2 The appointed date for the Scheme is 1st April, 2022 or such other date as may be mutually agreed to by the Board of the Company and the Transferee Company or such other date as may be fixed or approved by the NCLT or any other Appropriate Authority (as defined in the Scheme).
- 2.3 The Scheme is subject to various conditions precedent specified in the Scheme:
  - a. The stock exchanges, i.e., National Stock Exchange of India Limited ('NSE') and Calcutta Stock Exchange ('CSE') (collectively referred to as 'Stock Exchanges') having issued their observation / no-objection letter as required under the Securities and Exchange Board of India (Listings Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') read with the SEBI Master Circular;
  - b. The Scheme being approved by the respective requisite majorities of shareholders and creditors (as applicable) of the Company and the Transferee Company as required under the Act and as applicable under SEBI Master Circular, subject to any dispensation that may be granted by the NCLT;
  - c. The requisite consent, approval or permission of the Reserve Bank of India or any other Appropriate Authority (as defined in the Scheme), which by law may be necessary for the implementation of this Scheme.
  - d. The Scheme being sanctioned by the NCLT or any other Appropriate Authority (as defined in the Scheme) under sections 230-232 of the Act and the rules made thereunder.
  - e. The certified copy of the order of the NCLT sanctioning the Scheme is filed with the Registrar of Companies (as defined in the Scheme) by the Company and the Transferee Company.
- 2.4 The report of the Audit Committee is made in order to comply with the requirements of the SEBI Master Circular, after considering the following:
  - a. Draft Scheme, duly initiated by the Chairman of the Company for the purpose of identification;
  - b. Valuation report dated 21<sup>st</sup> September, 2022 issued by RBSA Valuation Advisors LLP (registration number: IBBI/RV-E/05/2019/110) ('the Registered Valuer'), *inter-alia*, recommending the fair share exchange ratio ('Share Exchange Ratio') ('Valuation Report');
  - c. Fairness opinion dated 21<sup>st</sup> September, 2022 issued by Sumedha Fiscal Services Limited, Merchant Banker registered with the Securities and Exchange Board of India ('SEBI'), on the Share Exchange Ratio as mentioned in the Valuation Report ('Fairness Opinion');



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## 3.0 Rationale of the Scheme

3.1 The proposed amalgamation would be in the best interests of the Transferor Company and the Transferee Company and their respective shareholders, employees, creditors and other stakeholders. The proposed amalgamation will yield advantages as set out inter alia below:

- a. The shares of the Transferor Company are listed on CSE and no trading activity is being undertaken in the shares of Transferor Company. Upon amalgamation of the Transferor Company into the Transferee Company, equity shares of the Transferee Company, listed on NSE having nationwide trading terminal, would be issued to the shareholders of the Transferor Company. Thus, the amalgamation would result in providing better liquidity to the shareholders of Transferor Company while not being prejudicial to the interest of the Transferee Company and its shareholders, creditors, employees or any stakeholders.
- b. The amalgamation would result in improving the potential for further expansion of the businesses by way of consolidation of capital base and increased borrowing strengths of the combined entity.
- c. The amalgamation will result not only in consolidating and improving the internal systems, procedures and controls but will also bring greater management and operational efficiency due to integration of various similar functions being carried out by both the Transferor Company and Transferee Company.
- d. Greater size, scale, financial strength and flexibility for the merged Transferee Company will result in maximizing and unlocking overall shareholders value.
- e. The amalgamation will result in significant reduction in multiplicity of legal and regulatory compliances which at present is required to be made separately by both the Transferor Company and Transferee Company with saving in administrative costs and deriving economies of scale.

3.2 The Audit Committee reviewed and noted the Share Exchange Ratio recommended in the Valuation Report and confirmed the following exchange ratio:

"94 (ninety four) fully paid up equity shares of face value of INR 5/- each of the Transferee Company for every 3 (three) fully paid up equity shares of face value of INR 100/- each of the Transferor Company"

3.3 Further, the Audit Committee noted that the Fairness Opinion from Sumedha Fiscal Services Limited has confirmed that the Share Exchange Ratio as recommend by the Registered Valuer, is fair and reasonable.

## 4.0 Impact of the Scheme on the shareholders

4.1 The Scheme would result in improving the potential for further expansion of the businesses by way of consolidation of capital base and increased borrowing strengths of the combined entity. The Committee also noted that the Scheme is subject to the majority approval of the public



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shareholders of the Company. The Audit Committee was of the opinion that the Scheme is not detrimental to the interests of the shareholders of the Company. Further, the need for the amalgamation and rationale of the Scheme is set out in Sl. 3.1 above.

## 5.0 Cost benefit analysis of the Scheme

5.1 The Consideration (as defined in the Scheme) represents a fair value of the business as substantiated by the Share Exchange Ratio recommended in the Valuation Report and Fairness Opinion obtained in relation to the amalgamation. The Scheme would entail some costs towards implementation. However, the benefits of the Scheme over a longer period are expected to far outweigh such costs for the stakeholders of the Scheme entities.

6.0 Synergies of business of the entities involved in the Scheme are set out in Sl. No. 3.1 above

## 7.0 Recommendations of the Audit Committee

7.1 The Audit Committee after due deliberations and due consideration of all the terms of the draft Scheme, Share Exchange Ratio / Valuation Report, Fairness Opinion, rationale of the Scheme, impact of the Scheme on the shareholders and other stakeholders, cost benefit analysis of the Scheme and the specific matters mentioned above, recommends the draft Scheme for favorable consideration by the Board of the Company, the Stock Exchanges, SEBI and other applicable regulatory authorities.

This report of the Committee is made in order to comply with the requirements of Part I(A)(2)(c) of the SEBI Master Circular after considering the necessary documents.

By Order of the Audit Committee of Western India Commercial Company Limited

Name: Ravi Goenka

Designation: Chairman of the Committee

DIN: 01393012

Place: Kolkata

Date: 21<sup>st</sup> September, 2022





September 21, 2022

The Board of Directors  
N.B.I. Industrial Finance Company Limited  
21, Strand Road,  
Kolkata 700 001

The Board of Directors  
Western India Commercial Company Limited  
21, Strand Road,  
Kolkata 700 001

**Members of the Board:**

**Subject: "Fairness Opinion" on the Equity Share Exchange Ratio for the proposed amalgamation of Western India Commercial Company Limited ("WICCL") into N.B.I. Industrial Finance Company Limited ("NBIIFCL").**

**Purpose**

We, Sumedha Fiscal Services Limited ("SFSL"), refer to the engagement letter dated August 5, 2022, towards issuance of "Fairness Opinion" report as required under SEBI Master Circular Ref. No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, whereby N.B.I. Industrial Finance Company Limited ("NBIIFCL") and Western India Commercial Company Limited ("WICCL") (hereby referred to as "Companies") have jointly appointed us, inter alia, to provide the fairness opinion to the Board of Directors of NBIIFCL and WICCL on the respective Equity Share Exchange Ratio recommended in the valuation report dated September 21, 2022 ("Valuation Report") issued by RBSA Valuation Advisors LLP ("RBSA" or "Valuer") for the proposed amalgamation of WICCL into NBIIFCL as a going concern ("Proposed Transaction"), pursuant to the proposed amalgamation between WICCL and NBIIFCL and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme").

**Sumedha Fiscal Services Limited ("SFSL")**

SFSL is a Category 1 Merchant Banker bearing SEBI Registration Number INM000008753. The registered office is situated at 6A Geetanjali, 6th Floor, 8B Middleton Street, Kolkata – 700 071, West Bengal, India.

**Sumedha Fiscal Services Ltd.**

CIN: L70101WB1989PLC047465

Registered & Corporate Office:

6A Geetanjali, 8B Middleton Street, Kolkata – 700071.

Telephone : +91 33 2229 8936 / 6758



### Proposed Transaction Background

NBIIFCL and WICCL have proposed to enter into the scheme of amalgamation, which envisages the merger of WICCL into NBIIFCL. Pursuant to the Merger, NBIIFCL will issue and allot to the shareholders of WICCL, 94 fully paid-up equity shares of face value INR 5.00 each of NBIIFCL for every 3 fully paid-up equity shares of face value INR 100.00 each of WICCL held by such shareholders ("Share Exchange Ratio").

NBIIFCL and WICCL, in terms of the Appointment Letter, have requested us to issue our independent opinion on the fairness of the Equity Share Exchange Ratio recommended by the Valuer ("Fairness Opinion") in relation to the proposed transaction. Our scope is restricted to providing an Opinion on the Equity Share Exchange Ratio towards the merger of WICCL into NBIIFCL.

### Sources of Information

In arriving at our Opinion, we have reviewed the following information:

- Valuation report by RBSA Valuation Advisors LLP, dated September 21, 2022 recommending the Equity Share Exchange Ratio for the Proposed Transaction.
- Draft Scheme of Arrangement towards the proposed transaction between WICCL and NBIIFCL and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.
- Audited Financial Statements of NBIIFCL and WICCL for Financial Year ended on March 31, 2020, March 31, 2021, and March 31, 2022 as well as provisional Financial Statements for the three months period ended June 30, 2022.
- Financial Statements of companies where both NBIIFCL and WICCL have investments.
- Further, we have discussions with RBSA Valuation Advisors LLP on such matters which we believed were necessary or appropriate for the purpose of issuing the Opinion.
- Such other information, documents, data, reports, discussions, and explanations received verbally and in writing from the Management of NBIIFCL and WICCL.
- Moreover, we have taken into consideration certain publicly available information, and have taken into account such other matters as we deemed necessary including our assessment of general economic, market and monetary conditions.



### **Brief Profile of the Companies Under Reference**

**NBIIFCL:** Incorporated on December 21, 1936, N.B.I. Industrial Finance Company Limited ("NBIIFCL") is a Non-Banking Finance Company (NBFC) registered with the Reserve Bank of India vide Registration Number 5.00252. NBIIFCL is presently engaged in the business of investment in shares and securities and financial activity. The equity shares of NBIIFCL are listed on the National Stock Exchange of India Limited ("NSE") (Symbol: NBIFIN) (ISIN: INE365I01020).

**WICCL:** Incorporated on August 13, 1928, Western India Commercial Company Limited ("WICCL") is a Non-Banking Finance Company (NBFC) registered with the Reserve Bank of India vide Registration Number B-05.06730. WICCL is presently engaged in the business of investment in shares and securities and financial activity. The equity shares of WICCL are listed on the Calcutta Stock Exchange ("CSE") (Scrip Code: 033036) (ISIN: INE925M01015).

### **Exclusions and Limitations**

The report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the management of both NBIIFCL and WICCL for the purposes of the Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information on an "as is" basis, and have not verified the accuracy and/or the completeness of the same from our end.

Our opinion is necessarily based on financial, economic, market and other conditions as in effect on the date of the issue of Fairness Opinion, and the information made available to us as of, the date hereof, including the capital structure of NBIIFCL and WICCL. Our opinion does not address matters such as corporate governance or shareholder rights. We have assumed the Proposed Transaction is legally enforceable.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. We have further assumed that the Transaction would be carried out in compliance with applicable laws rules and regulations. Our opinion is not, nor should it be construed as our opinion or certifying the compliance of the proposed transfer with the provisions of any law including companies, taxation and capital market-related laws or as regards any legal implications or issues arising thereon.

**Sumedha Fiscal Services Ltd.**

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Registered & Corporate Office:

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Our work does not constitute an audit, due diligence or verification of historical financials including the working results of the companies or their business 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.

We have not assumed an obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of NBIIFCL or WICCL, nor have we been furnished with any such appraisals. No investigation of the companies' claim to the title of assets or property owned by the companies has been made for the purpose of this Fairness Opinion.

We have not received any internal management information statements or any non-public reports, and instead, have relied upon information that was publicly available or provided or otherwise made available to us by NBIIFCL and WICCL on an "as is" basis for the purpose of this Fairness Opinion.

We are not experts in the evaluation of litigation or other actual or threatened claims. We have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or the financial prospects of NBIIFCL or WICCL.

We understand that the management of NBIIFCL and WICCL, during our discussion with them, would have drawn our attention to all information and matters which may have an impact on our analysis and opinion.

We have assumed that in the course of obtaining necessary regulatory or other consent, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this Fairness Opinion, we do not have an obligation to update, revise or reaffirm this opinion.

In the ordinary course of business, the SFSL Group is engaged in auditing, assurance, insolvency practice, merchant banking, debt restructuring, and loan syndication. In the ordinary course of its trading, investing and financing activities, any member of the SFSL Group may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account, in debt or equity securities or senior loans of any company that may be involved in the proposed amalgamation.

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We express no opinion whatsoever and make no recommendation at all as to NBIIFCL's and WICCL's underlying decision to effect the proposed amalgamation. We also do not provide any recommendation to the holders of equity shares of NBIIFCL and WICCL with respect to the proposed amalgamation.

We hereby declare that we do not have any direct or indirect material pecuniary relationship with NBIIFCL and WICCL, except to the extent of professional fees agreed upon amongst us for this assignment of Fairness Opinion.

This report is issued on the understanding that it is solely for the use of the persons to whom it is addressed and for the purpose described above. We will not accept any liability or responsibility to any person other than those to whom it is addressed. The report must not be made available or copied in whole or in part to any other person without our express written permission.

### Conclusion

**Valuer's Recommendation:** As stated in the Valuation Report by RBSA Valuation Advisors LLP, they have recommended the following Share Exchange Ratio for the amalgamation of WICCL into NBIIFCL:

*94 fully paid-up Equity Shares of the face value of INR 5 each of N.B.I. Industrial Finance Company Limited for every 3 fully paid-up Equity Shares of face value INR 100 each held in Western India Commercial Company Limited.*

**Our Opinion on the Valuer's Report:** Based on the information, and data made available to us, including the Valuation Report by RBSA Valuation Advisors LLP, our examination and analysis of factors that we deemed relevant and subject to the scope, limitations as mentioned herein above, we are of the opinion that the proposed Equity Share Exchange Ratio as suggested by RBSA Valuation Advisors LLP in relation to the proposed amalgamation of WICCL into NBIIFCL is fair from a financial point of view to the shareholders.

### Distribution of the Fairness Opinion

The Fairness Opinion is addressed only to the Board of Directors of NBIIFCL and WICCL. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any third party without SFSL's prior consent.

However, NBIIFCL and WICCL may provide a copy of the Fairness Opinion if requested/called upon by any regulatory authorities of India subject to promptly

**Sumedha Fiscal Services Ltd.**

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intimating SFSL in writing about the receipt of such request. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable for any consequences thereof and shall not take any responsibility for the same. Neither this Fairness Opinion nor its contents may be referred to or quoted to/by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. In no circumstances, however, will SFSL or its management, directors, officers, employees, agents, advisors, representatives and controlling persons of SFSL accept any responsibility or liability including the pecuniary or financial liability to any third party.

**For Sumedha Fiscal Services Limited**



**Bijay Murmuria**  
Director

