

**FAIRNESS OPINION ON VALUATION IN COMPOSITE SCHEME  
OF ARRANGEMENT FOR AMALGAMATION AND DEMERGER  
AMONG ANANT RAJ AGENCIES PRIVATE LIMITED, ANANT  
RAJ LIMITED AND ANANT RAJ GLOBAL LIMITED**

18<sup>th</sup> October, 2018

Strictly Private & Confidential

Ref. No: CPC/MB/119/2018-19

Date: 18<sup>th</sup> October, 2018

SEBI Reg. No: INM000011435

The Board of Directors

**ANANT RAJ AGENCIES PRIVATE LIMITED**

Registered Office: Plot No. CP-1, Sector-8, IMT Manesar,  
Gurgaon, Haryana-122051, India.

The Board of Directors

**ANANT RAJ LIMITED**

Registered Office: Plot No. CP-1, Sector-8, IMT Manesar,  
Gurgaon, Haryana-122051 India.

The Board of Directors

**ANANT RAJ GLOBAL LIMITED**

Registered Office: Plot No CP-1, Sector -8, IMT, Manesar,  
Gurgaon, Haryana-122051, India.

**Subject: Fairness Opinion on share entitlement ratio for Composite Scheme of Arrangement for Amalgamation and Demerger**

Dear Sir/s,

We refer to our discussion wherein management of Anant Raj Agencies Private Limited, Anant Raj Limited and Anant Raj Global Limited has appointed Corporate Professionals Capital Private Limited (SEBI registered category I Merchant Banker) to provide a Fairness Opinion on the share entitlement ratio certified by M/s Sanjeev Jagdish Chand and Associates Chartered Accountants (hereinafter referred to as "Valuer") in connection with the amalgamation of Anant Raj Agencies Private Limited into Anant Raj Limited and demerger





of project division from Anant Raj Limited and vested into Anant Raj Global Limited under a Composite Scheme of Arrangement for Amalgamation and Demerger (hereinafter referred to as "Proposed Scheme/Scheme/Scheme of Arrangement").

In terms of our engagement, we are enclosing our opinion along with this letter. All comments as contained herein must be read in conjunction with the caveats to this opinion. The opinion is confidential and has been made in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "**Listing Regulations**") read with SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017, it should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of Corporate Professionals Capital Private Limited, such consent will only be given after full consideration of the circumstance at the time. We are however aware that the conclusion in this report may be used for the purpose of disclosure to be made to the stock exchanges, National Company Law Tribunal ("**NCLT**") and notices to be dispatched to the shareholder and creditors for convening the meeting pursuant the directions of NCLT and we provide consent for the same. Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully,

For Corporate Professionals Capital Private Limited

  
  
Maneesh Srivastava  
[Vice President]



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CONTEXT AND BACKGROUND

- 1.1 We understand that this Proposed Scheme seeks to amalgamate M/s Anant Raj Agencies Private Limited into M/s Anant Raj Limited which is termed as ("**Transaction 1**"). While the Demerger of the Project Division from M/s Anant Raj Limited and vesting into M/s Anant Raj Global Limited which is the Wholly owned subsidiary ("**WOS**") of M/s Anant Raj Limited which is termed as ("**Transaction 2**"). M/s Anant Raj Agencies Private Limited ("**Amalgamating Company**"), M/s Anant Raj Limited ("**Amalgamated Company**" / "**Demerged Company**") and M/s Anant Raj Global Limited ("**Resulting Company**") are together referred to as the "**Restructured Companies**".
- 1.2 The board of directors of the Restructured Companies have resolved that the amalgamation of M/s Anant Raj Agencies Private Limited into M/s Anant Raj Limited and the demerger of the Project Division from M/s Anant Raj Limited and vesting into M/s Anant Raj Global Limited would be in the interests of the shareholders, creditors and employees of the Restructured Companies. The Amalgamating Company is engaged in the business of providing construction and engineering services and the Amalgamated Company is engaged in the business of construction and development of residential projects, township projects, commercial projects, SEZ, IT Park, Malls, etc.



**BRIEF ABOUT COMPANIES**

1. **M/S ANANT RAJ AGENCIES PRIVATE LIMITED** is a private limited Company incorporated under the Companies Act, 1956 having its registered office at Plot No. CP-1, Sector-8, IMT Manesar, Gurgaon, Haryana-122051, India. It is engaged in the business of providing construction and engineering services

**Extract of Audited Balance Sheet of M/s Anant Raj Agencies Private Limited as on 30<sup>th</sup> September, 2018**

Particulars	Amount in INR Lacs	
	30.09.2018	
Share Capital		181
Reserve and surplus		56132
Long Term Borrowings		-
Other Non-Current liabilities		-
Short Term Borrowings		-
Provisions		2
<b>Total</b>		<b>56,315</b>
Non-Current Assets		56,280
Current Assets		35
<b>Total</b>		<b>56,315</b>

*Note: The valuer has been represented by the management of the Company that only asset that M/s Anant Raj Agencies Private Limited owns is 106,032,745 number of Equity shares of M/s Anant Raj Limited and M/s Anant Raj Agencies Private Limited remains with no other Asset and Liabilities at time of its amalgamation into M/s Anant Raj Limited.*

2. **M/S ANANT RAJ LIMITED** is a public limited Company incorporated under the Companies Act, 1956, having its registered office at Plot No. CP-1, Sector-8, IMT Manesar, Gurgaon, Haryana-122051 India. It is engaged in the business of construction and development of residential projects, township projects, commercial projects, SEZ, IT Park, Malls, etc. The equity shares of the company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).





**Extract of Management Certified Standalone Balance Sheet as on 30th September, 2018**

Particulars	Amount in INR Lacs	
	30.09.2018	
Share Capital		5,902
Reserve and surplus		413,707
Non-Current liabilities		180,404
Current liabilities		116,845
<b>Total</b>		<b>716,858</b>
Non-Current Assets		430,704
Current Assets		286,154
<b>Total</b>		<b>716,858</b>

**Extract of management certified statement of Assets and Liabilities of project division of M/s Anant Raj Limited as on 30<sup>th</sup> September, 2018**

Particulars	Amount in INR Lacs	
	30.09.2018	
<b>Assets</b>		
Non-Current Assets		237,981
Current Assets		65,088
<b>Total Assets</b>		<b>303,070</b>
Liabilities		114,361
<b>NetWorth</b>		<b>188,708</b>

3. **M/S ANANT RAJ GLOBAL LIMITED** is a public limited Company incorporated under the Companies Act, 2013 having its registered office at Plot No CP-1, Sector -8, IMT, Manesar, Gurgaon, Haryana-122051, India. It is incorporated with the object to carry on the business of construction and development of residential projects, township projects, commercial projects, SEZ, IT Park, Malls, etc. The equity shares of M/s Anant Raj Global Limited will be listed on the recognized stock exchange after the proposed demerger. As of now M/s Anant Raj Global Limited is Wholly Owned Subsidiary of M/s Anant Raj Limited

**Extract of Audited Balance Sheet as on 30th September, 2018**

Particulars	Amount in INR Lacs	
	30.09.2018	
Share Capital		5
Reserve and surplus		(1)
Long Term Borrowings		-
Other Non-Current liabilities		-
Short Term Borrowings		-
Other current liabilities		1
<b>Total</b>		<b>5</b>



Non-Current Assets	-
Current Assets	5
<b>Total</b>	<b>5</b>

#### SHARE ENTITLEMENT RATIO FOR AMALGAMATION (Transaction 1):-

The consideration for such proposed amalgamation will be discharged by issue of equity shares by Amalgamated Company (M/s Anant Raj Limited) to the shareholders of the Amalgamating Company (M/s Anant Raj Agencies Private Limited).

As per chapter 2, Part IV, Para 9.1 of draft Scheme of Arrangement, upon the effectiveness of the scheme, all the equity shares of M/s Anant Raj Limited held by M/s Anant Raj Agencies Private Limited shall stand cancelled and be of no effect, on and from the effective date. Simultaneous to such cancellation, M/s Anant Raj Limited shall issue and allot equal number of shares in M/s Anant Raj Limited as cancelled, to the equity shareholders of M/s Anant Raj Agencies Private Limited (whose names are registered in the register of members of M/s Anant Raj Agencies Private Limited on the record date) in the proportion of their shareholding in M/s Anant Raj Agencies Private Limited.

Accordingly, this would lead to issuance of **587 (Five Hundred Eighty-Seven)** Equity shares of face value of INR 2/- (Rupees Two) each in M/s Anant Raj Limited for every **10 (Ten)** Equity shares of face value of INR 10/- (Rupee Ten) each of M/s Anant Raj Agencies Private Limited.

The valuer has also been represented by the management that the Pre and Post amalgamation shareholding pattern of M/s Anant Raj Limited will remain same as under:

Particulars	Pre-Amalgamation (% Holding)	Post-Amalgamation (% Holding)
Promoters	63.47	63.47
Non-Promoters	36.53	36.53
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

#### SHARE ENTITLEMENT RATIO FOR DEMERGER (Transaction 2):-

The consideration for such proposed demerger will be discharged by issue of equity shares by Resulting Company (M/s Anant Raj Global Limited) to the equity shareholders of the demerged Company (M/s Anant Raj Limited).

As per chapter 3 - Part IV, para 8.1 of draft scheme of arrangement, the Management of the companies has decided equity share entitlement ratio for Demerger of Project Division of M/s Anant Raj Limited into M/s Anant Raj Global Limited as follows:



1 (One) Equity share of face value of INR 2/- (Rupees Two) each in M/s Anant Raj Global Limited for every 1 (One) Equity share of face value of INR 2/- (Rupees Two) each in M/s Anant Raj Limited. Accordingly, shareholders of M/s Anant Raj Limited shall become shareholders of M/s Anant Raj Global Limited in the same proportion in which they own shares in M/s Anant Raj Limited and investment of M/s Anant Raj Limited in M/s Anant Raj Global Limited shall stand cancelled.

The valuer has also been represented by the management that the Pre and Post Demerger shareholding pattern of M/s Anant Raj Limited will be as under:

Particulars	Pre-Demerger (% Holding)	Post-Demerger (% Holding)
Promoters	63.47	63.47
Non-Promoters	36.53	36.53
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

M/s Anant Raj Global Limited will be as under:

Particulars	Pre-Demerger (% Holding)	Post-Demerger (% Holding)
Promoters	100.00	63.47
Non-Promoters	-	36.53
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

**CONCLUSION & OPINION**

We understand that the Chapter 2 of the proposed scheme of Arrangement deals with the amalgamation of Anant Raj Agencies Private Limited into Anant Raj Limited which will result in elimination of promoter holding company leading to streamlining the holding structure of M/s Anant Raj Limited (Amalgamated Company). Further Chapter 3 of the Proposed Scheme of Arrangement deals with demerger of project division from Anant Raj Limited and vested into Anant Raj Global Limited which will result in operational and administrative efficiencies for project division. There is also no change in the promoter and public shareholding pattern of the public listed company i.e., the Amalgamated Company and ultimate beneficial owners of Amalgamating Company shall become shareholders of Amalgamated Company in the same ratio (inter-se) as they hold shares prior to the amalgamation. Further ultimate beneficial owners of Demerged Company shall become shareholders of Resulting Company in the same ratio (inter-se) as they hold shares prior to the demerger.

*"Subject to above read with the caveats as detailed later, we as a Merchant Banker hereby certify that pursuant to SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017, we have reviewed the proposed Composite Scheme of Arrangement for Amalgamation and Demerger with respect to the valuation aspects and consider it to be fair and reasonable from the point of view of equity shareholders of the Companies.*





CAVEATS

- We wish to emphasize that, we have relied on explanations and information provided by the respective management and other publicly available information. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.
- We have not made an appraisal or independent valuation of any of the assets or liabilities of the companies and have not conducted an audit or due diligence or reviewed / validated the financial data except what is provided to us by the Restructured Companies.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in this Scheme, which might be relevant in the context of the transaction and which a wider scope might uncover.
- We have no present or planned future interest in the Restructured Company/ies and the fee payable for this opinion is not contingent upon the opinion reported herein.
- Our Fairness Opinion should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction.
- The Opinion contained herein is not intended to represent at any time other than the date that is specifically stated in this Fairness Opinion. This opinion is issued on the understanding that the Management of the Restructured Companies under the Scheme have drawn our attention to all matters of which they are aware, which may have an impact on our opinion up to the date of signature. We have no responsibility to update this report for events and circumstances occurring after the date of this Fairness Opinion.

