



Category I Merchant Banker  
SEBI Regn No. INM000012169

CIN: U65923WB2010PTC156220  
Website: www.imoney.co.in

**Fairness Opinion**  
**Scheme of Amalgamation of**

**Somany Foam Limited**  
**(Transferor Company)**

**With**

**Spotlight Vanijya Limited**  
**(Transferee Company)**

**and its respective shareholders and creditors under**  
**Section 391 and 394 of the Companies Act, 1956**

To,

**The Board of Directors**  
**Spotlight Vanijya Limited**  
2, Red Cross Place,  
Kolkata - 700 001

**The Board of Directors**  
**Somany Foam Limited**  
2, Red Cross Place,  
Kolkata - 700 001

Dear Sirs,

**Re: 'Fairness Opinion' on the Scheme of Amalgamation of Somany Foam Limited, being wholly owned subsidiary with its holding company, Spotlight Vanijya Limited.**

We, Intelligent Money Managers Private Limited (hereinafter "IMMPL"), refer to our earlier discussions on the captioned matter of providing Fairness Opinion Certificate to yourselves in connection with the Scheme of Amalgamation of Somany Foam Limited (hereinafter "Transferor Company"), being wholly owned subsidiary with its holding company, Spotlight Vanijya Limited (hereinafter "Transferee Company").

**CERTIFIED TRUE COPY**  
**For Spotlight Vanijya Ltd.**  
*N.D. Maheshwari*  
**Director**



## 1. PURPOSE

This Fairness Opinion Certificate has been issued to comply with Clause 24(h) of the Listing Agreement and SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4<sup>th</sup> February, 2013 read with Circular No. CIR/CFD/DIL/8/2013 dated 21<sup>st</sup> May, 2013.

## 2. MERCHANT BANKER: INTELLIGENT MONEY MANAGERS PRIVATE LIMITED (IMMPL)

IMMPL is a Category 1 Merchant Banker bearing SEBI Registration Number INM000012169. Its Registered Office is situated at Room No. 501, 5<sup>th</sup> Floor, Narayani Building, 27, Brabourne Road, Kolkata - 700 001.

## 3. RATIONALE OF THE SCHEME

- a. The Scheme of Amalgamation provides for the amalgamation of Somany Foam Limited (Transferor Company) with Spotlight Vanijya Limited (Transferee Company) pursuant to Sections 391 to 394 of the Companies Act, 1956.
- b. As on 31<sup>st</sup> March, 2015, entire issued, subscribed and paid up share capital of the Transferor Company are held by the Transferee Company and its nominees. The holding company (Transferee Company) would like to integrate and consolidate its wholly owned subsidiary. The circumstances that necessitate or justify the proposed Scheme of Amalgamation for its benefits are summarized as under:
  - i. The scheme envisages the amalgamation of Somany Foam Limited into Spotlight Vanijya Limited, resulting in consolidation of the business of two companies in one entity and strengthening the position of the merged entity, by enabling it to harness and optimize the synergies of the business, which is in the best interest of both companies and their shareholders.
  - ii. The amalgamation aims to achieve consolidation, integration and thereby greater financial strength which are ultimately aimed at maximizing shareholders value. The merged entity is likely to achieve higher ability to garner funds for the long term and consequently achieve stable long-term financial returns for the merged entity. Besides achieving increased financial strength, the merged entity can reap benefits of cost reduction and efficiencies of operation.
  - iii. The amalgamation will provide opportunities for pooling of managerial, technical and financial resources helping the merged entity achieve competitiveness.
  - iv. The Amalgamation will enable exploring economy of scale and reduction in various costs and optimal utilization of resources.



- v. The Amalgamation will result in significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by Transferor Company and the Transferee Company.

#### 4. PRE AND POST SHAREHOLDING PATTERN OF THE TRANSFEE COMPANY AS ON APRIL 1, 2015 (APPOINTED DATE)

Since Transferor Company is wholly owned subsidiary of the Transferee Company, no new shares are to be allotted by the Transferee Company, resulting in no change in the shareholding pattern of the Transferee Company as a result of Amalgamation. Shares of the Transferor Company will be cancelled.

Particulars	Pre		Post	
	No. of Shares	Percentage Holdings (%)	No. of Shares	Percentage Holdings (%)
Promoter and Promoter Group	5,30,387	74.88	5,30,387	74.88
Public	1,77,965	25.12	1,77,965	25.12
<b>Total</b>	<b>7,08,352</b>	<b>100.00</b>	<b>7,08,352</b>	<b>100.00</b>

#### 5. SOURCES OF INFORMATION

- A Copy of Memorandum and Articles of Association of Transferor company and Transferee company;
- A certified true copy of draft scheme of Amalgamation;
- Audited Financial Statements of Transferor company for the last three financial years i.e. as at 31<sup>st</sup> March 2012, 31<sup>st</sup> March, 2013 and 31<sup>st</sup> March, 2014 and Provisional Financial Statement as at 31<sup>st</sup> March 2015;
- Audited Financial Statements of Transferee Company for the last three financial years i.e. as at 31<sup>st</sup> March 2012, 31<sup>st</sup> March, 2013 and 31<sup>st</sup> March, 2014 and Unaudited limited reviewed Financial Statement for the 9 months period ended 31<sup>st</sup> December 2014;
- Pre and Post Amalgamation Shareholding pattern of the Transferee Company;
- Valuation Report of M/s Bihani Rashmi & Co., Independent Chartered Accountant.

#### 6. FAIRNESS OPINION

With reference to the above and based on information and explanation given to us by the management of Spotlight Vanijya Limited and perusal of the draft scheme of Amalgamation, we understand that since, the transferor company is wholly owned subsidiary of the Transferee company, the shares of Somany Foam Limited held by Spotlight Vanijya Limited shall stand cancelled with no issuance of shares. There will be no change in the shareholding pattern of the Spotlight Vanijya Limited consequent to the proposed Amalgamation. Valuation report obtained by Spotlight



Vanijya Limited from M/s. Bihani Rashmi & Co, an Independent Chartered Accountant, states that no valuation process is applicable for the proposed Scheme of Amalgamation owing to the aforesaid reason.

***Based on the above information we are of opinion that the proposed Amalgamation of the Transferor Company with Transferee Company as per the scheme of the Amalgamation is fair and reasonable to the equity shareholders of Spotlight Vanijya Limited.***

## 7. LIMITATIONS OF THE FAIRNESS OPINION

This Fairness Opinion does not include the following and / or the following are the limitations of this Fairness Opinion:

- Audit of the financial statements of the Transferor or Transferee Companies;
- Legal or compliance due diligence of the Transferor or Transferee Companies;
- Evaluation of adequacy or inadequacy of regulatory compliance requirements by the Transferor or Transferee Companies;
- Carrying out market survey / financial feasibility;
- Our fairness opinion is based on the information made available to us by the management of Transferor and Transferee Companies. Any subsequent changes to the financial and other information provided to us, may affect the result of the value analysis set out in this report;
- We have not carried out detailed tests in the nature of audit to establish the accuracy of the financial statements and information. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and on behalf of the Company;
- Our fairness opinion should not be construed as an investment advice, specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction;
- In rendering this opinion, we have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly we does not assume any responsibility in respect thereof. Further, we have assumed that the Scheme of Amalgamation will be implemented on the terms and conditions as set out in the draft Scheme of Amalgamation, without any material changes to or waiver of its terms and conditions;

We hereby declare that we do not have any direct or indirect material pecuniary relationship with the Transferor or Transferee Companies, except to the extent to professional fees agreed 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.

Our liability direct or indirect, whether arising in contract, tort or otherwise for any loss or damage arising out of or in connection with rendering this fairness opinion shall be limited to the amount of fees received / receivable for rendering this opinion.

For & on behalf of-

**Intelligent Money Manager Private Limited**



**Amit Kumar Mishra**  
Assistant Vice President

Date: 09/05/2015

CERTIFIED TRUE COPY  
For Spotlight Vangya Ltd.  
*N.D. Maheshwari*  
Director