



The Board of Directors
Hindusthan Udyog Limited
Trinity Plaza, 3rd Floor,
84/1A, Topsia Road (South),
Kolkata – 700046

The Board of Directors
Neptune Exports Limited
Trinity Plaza, 3rd Floor,
84/1A, Topsia Road (South),
Kolkata – 700046

The Board of Directors
Tea Time Limited
Trinity Plaza, 3rd Floor,
84/1A, Topsia Road (South),
Kolkata – 700046

The Board of Directors
Asutosh Enterprises Limited
Trinity Plaza, 3rd Floor,
84/1A, Topsia Road (South),
Kolkata – 700046

The Board of Directors
Northern Projects Limited
Trinity Plaza, 3rd Floor,
84/1A, Topsia Road (South),
Kolkata – 700046

The Board of Directors
Orient International Limited
Trinity Plaza, 3rd Floor,
84/1A, Topsia Road (South),
Kolkata – 700046

Sub: Fairness Opinion on the Share Exchange Ratio for the Proposed Scheme of Amalgamation of Asutosh Enterprises Limited, Neptune Exports Limited, Northern Projects Limited, Tea Time Limited & Orient International Limited with Hindusthan Udyog Limited

Dear Sirs,

1. ENGAGEMENT BACKGROUND

We understand that the Board of Directors of the above referred Companies are considering an amalgamation of Asutosh Enterprises Limited, Neptune Exports Limited, Northern Projects Limited, Tea Time Limited and Orient International Limited (together referred to as the "Transferor Companies") with Hindusthan Udyog Limited (the "Transferee Company") pursuant to a Scheme of Amalgamation under the applicable provisions of The Companies Act, 2013.

We further understand that pursuant to the above Amalgamation, the shareholders of Transferor Companies will be issued equity shares of Transferee Company as consideration for their respective shareholdings in the Transferor Companies.

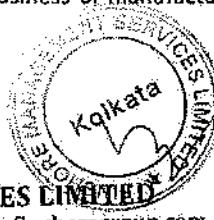
We further understand that the Share Exchange ratio in this regards has been arrived based on the Valuation Report dated 25th September, 2019 prepared by Bose & Chakrabarti, Chartered Accountants (the "Valuer") who has been independently appointed by the Transferor and Transferee Companies.

In connection with the aforesaid, you have requested our Opinion as to the fairness of the Share Exchange Ratio, as recommended by the Valuer.

2. BACKGROUND OF THE COMPANIES

Hindusthan Udyog Limited

Hindusthan Udyog Limited (CIN No. L27120WB1947PLC15767) is a Company incorporated under the provisions of The Indian Companies Act, 1913 with its Registered Office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata – 700046. The Company is listed with BSE Limited and the Calcutta Stock Exchange Limited. It is engaged in the business of manufacturing and sale of alloy steel castings.



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FINSHORE MANAGEMENT SERVICES LIMITED

(CIN: U74900WB2011PLC169377) • Website : www.finshoregroup.com

Regd. Office : "Anandlok" 2nd Floor, Block-A, Room No. 207, 227, A. J. C Bose Road, Kolkata-700 020 West Bengal, India Ph. : 033 2289 5101

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Asutosh Enterprises Limited

Asutosh Enterprises Limited (CIN No. L51109WB1981PLC034037) is a Company incorporated under the provisions of The Companies Act, 1956 with its Registered Office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata – 700046. The Company is listed with BSE Limited and the Calcutta Stock Exchange Limited. It was engaged in the business of tea export.

Neptune Exports Limited

Neptune Exports Limited (CIN No. L51909WB1982PLC034494) is a Company incorporated under the provisions of The Companies Act, 1956 with its Registered Office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata – 700046. The Company is listed with BSE Limited and the Calcutta Stock Exchange Limited. It was engaged in the business of tea export.

Northern Projects Limited

Northern Projects Limited (CIN No. L45400WB1983PLC035987) is a Company incorporated under the provisions of The Companies Act, 1956 with its Registered Office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata – 700046. The Company is registered with Reserve Bank of India as a Non-Banking Financial Institution vide Certificate of Registration No. 05.02409. Its shares are listed with BSE Limited and the Calcutta Stock Exchange Limited.

Tea Time Limited

Tea Time Limited (CIN No. L01132WB1979PLC032246) is a Company incorporated under the provisions of The Companies Act, 1956 with its Registered Office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata – 700046. The Company is listed with BSE Limited and the Calcutta Stock Exchange Limited. It was engaged in the business of tea export.

Orient International Limited

Orient International Limited (CIN No. L27310WB1981PLC034139) is a Company incorporated under the provisions of The Companies Act, 1956 with its Registered Office at Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata – 700046. The Company is listed with the Calcutta Stock Exchange Limited. It was engaged in the business of tea export.

3. SOURCES OF INFORMATION

We have relied on the following information for forming our opinion on the fairness of the Share Exchange Ratio:-

- (a) Annual Report of the Transferor and Transferee Companies for the year ending 31st March, 2019;
- (b) Draft Scheme of Amalgamation between the Transferor and Transferee Companies and their respective shareholders and creditors;
- (c) Latest Shareholding Pattern of all the Transferor and Transferee Companies;
- (d) Valuation report dated 25th September, 2019 issued by Bose & Chakrabarti, Chartered Accountants determining the Share Exchange Ratio; and
- (e) Other relevant information and explanation as we required and were provided by the Management of the Transferor and Transferee Companies.



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4. RATIONALE OF THE SCHEME OF AMALGAMATION

The Proposed amalgamation:

- (a) Shall enable pooling of resources of the Companies involved in the amalgamation, resulting in a more productive utilization of their resources, cost and operational efficiencies;
- (b) Will result in reduction in overhead and other expenses, administrative and procedural work and elimination of duplication of work which shall enable the Companies to achieve internal economies and optimize their productivity; and
- (c) Will result in the creation of a Company with larger asset base and net worth with strong financials enabling its further growth and development. It shall also strengthen its credibility with the financial institutions, banks and general public at large.

5. SCOPE AND LIMITATIONS/CAVEATS

- (a) Our opinion and analysis is limited to the extent of review of documents as provided to us by the Transferor and Transferee Companies including the share exchange ratio report prepared by Bose & Chakrabarti, Chartered Accountants dated 25th September and draft Proposed Scheme. We have relied upon the accuracy and completeness of all information and documents provided to us, without carrying out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not reviewed any financial forecasts relating to these Companies. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Transferor and Transferee companies, if any.
- (b) In rendering our opinion, we have assumed that the Scheme of Amalgamation will be implemented on the terms described therein without any waiver or modification of any material terms or conditions and that in the course of obtaining the necessary regulatory approvals to the Scheme of Amalgamation, no delay, limitation, restriction or conditions will be imposed that would have an adverse effect on the Scheme.
- (c) We do not express an opinion as to any tax or other consequences that might arise from the Scheme of Amalgamation nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the Companies have obtained such advice as it deemed necessary from qualified professionals.
- (d) We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. Our opinion is specific to the arrangement as contemplated in the Scheme of Amalgamation provided to us and is not valid for any other purpose.
- (e) Our engagement and opinion expressed herein are for the use of Board of Directors of the Companies in connection with the Scheme of Amalgamation and for no other purpose. Neither we nor any of our affiliates, partners, directors, shareholders, managers, employees or agents or any of them make any representation or warranty, express or



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implied, as to the information and documents provided to us, based on which the opinion has been issued. All such parties and entities expressly disclaim any and all liability for or based on or relating to any such information contained therein.

- (f) No decision should be taken based on this Report by any person intending to provide finance or invest in shares of the Companies and shall do so after seeking their own professional advice and carrying out their own due diligence to ensure that they are making an informed decision.
- (g) 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 of Amalgamation, if required or any matter related thereto.
- (h) Reproduction, Copying or otherwise quoting of our Report or any parts thereof, other than in connection with the scheme of amalgamation, can be done only with our prior consent in writing.
- (i) Our report should not be construed as an opinion or certificate 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 implication or issues arising from proposed amalgamation.

6. OPINION

Considering above and subject to our caveats we are of the opinion that the following Share Exchange ratios, as recommended by the Valuer, are fair to the Transferor and Transferee Companies and their respective shareholders:-

- 100 Equity Shares of Hindusthan Udyog Limited for every 95 Equity Shares held in Asutosh Enterprises Limited;
- 100 Equity Shares of Hindusthan Udyog Limited for every 1,096 Equity Shares held in Neptune Exports Limited;
- 100 Equity Shares of Hindusthan Udyog Limited for every 659 Equity Shares held in Northern Projects Limited;
- 100 Equity Shares of Hindusthan Udyog Limited for every 788 Equity Shares held in Tea Time Limited; and
- 100 Equity Shares of Hindusthan Udyog Limited for every 2,332 Equity Shares held in Orient International Limited.



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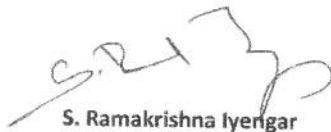
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- Any consideration to the extent of fractional shares will be settled in cash.
- Further any shortfall in consideration to the extent of NAV of the transferee company due to Share Exchange Ratio will be paid in cash.

For Finshore Management Services Limited
SEBI Regd. CAT-I Merchant Banker, Regn No. INM000012185


S. Ramakrishna Iyengar
Director



PLACE: KOLKATA
DATE: 25TH SEPTEMBER, 2019