

**FAIRNESS OPINION REPORT ON VALUATION FOR THE PROPOSED SCHEME OF
ARRANGEMENT**

amongst

PARSHVA ENTERPRISES LIMITED

and

SIMANDHAR IMPEX LIMITED

By



Navigant

Navigant Corporate Advisors Limited

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SEBI Registered Category I Merchant Banker

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Notice to Reader

Navigant Corporate Advisors Limited ("Navigant" / "NCAL" or "Authors of the Report") is a SEBI registered 'Category I' Merchant banker in India and was engaged by Board of Directors of Parshva Enterprises Limited (herein after referred as "PEL") to prepare an Independent Fairness Opinion Report ("Report") with respect to providing an independent opinion and assessment as to fairness of Valuation Report and Swap ratio determined by M/s Rajul Iyer, Chartered Accountants ("VALUER") an Independent Valuer for the purpose of intended proposed Demerger of "Jewellery Business" of Parshva Enterprises Limited ("PEL") into Simandhar Impex Limited (SIL).

PEL and SIL are collectively referred as "Companies".

The Fairness Opinion Report ("Report") has been prepared on the basis of the review of information provided to Navigant and specifically the Report on Swap ratio (hereinafter referred as Valuation Report) prepared by VALUER as an independent valuer. The report does not give any valuation or suggest any swap ratio, However this report is limited to provide its fairness opinion on the Valuation Report.

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This Report is based on data and explanations provided by the management and certain other data culled out from various websites believed to be reliable. Navigant has not independently verified any of the information contained herein. Neither the Company nor Navigant, nor affiliated bodies corporate, nor the directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients' use of this Report.



Executive Summary

Purpose: Express an Independent Fairness Opinion and assessment with respect to fairness of Valuation Report and Swap ratio determined by VALUER for the proposed Demerger of Jewellery Business of PEL into SIL.

Background of the Companies

PARSHVA ENTERPRISES LIMITED

PARSHVA ENTERPRISES LIMITED is a Company incorporated under the Companies Act, 2013 bearing corporate identification number L51909MH2017PLC297910 and having its registered office at HO NO. 219, Vill Brahmangaon, Tal Wada, District- Palghar, Wada, Thane Maharashtra – 421303.

The Demerged Company is primarily engaged in the Trading of Diamond, Gems, Jewellery, Metal and Real estate business.

At present, Equity Shares of the Company are listed on the BSE Limited ("BSE").

SIMANDHAR IMPEX LIMITED:

SIMANDHAR IMPEX LIMITED, is a company incorporated under the Companies Act, 2013 bearing corporate identification number U46498MH2023PLC415552 and having its registered office at 811,A Wing, Jaswanti Allied Business Center Kanchpada, Malad, Mumbai, Malad West, Maharashtra, India, 400064.

SIMANDHAR IMPEX LIMITED is a wholly owned subsidiary of PARSHVA ENTERPRISES LIMITED. SIL has been incorporated to carry on Jewellery business.



Transaction Overview and Rational

It is proposed to demerge the Demerged Undertaking (Jewellery Business) of Parshva Enterprises Limited into Simandhar Impex Limited by the Scheme, as a result of which the following benefits shall, inter-alia, accrue to the shareholders and stakeholders of PEL.

The following rational are envisaged:

- PEL has identified all the assets and liabilities of the Jewellery Business which are to be taken over by and transferred to SIL.
- We understand that, upon the scheme being effective, all the shareholders of PEL would also become the shareholders of SIL and with the outstanding issued and paid-up share capital of SIL ('Pre Demerger Equity Share Capital ') getting cancelled by way of a capital reduction which would be part of the same scheme, their shareholding in PEL would mirror their existing shareholding in SIL prior to the demerger.

Information relied upon:

We have prepared the fairness opinion report on the basis of the information provided to us and inter alia the following:

- Share Exchange ratio report by M/s Rajul Iyer, Chartered Accountants ("VALUER") dated 14th May, 2024.;
- Other information and explanations as provided by the management.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the valuation report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed to be good and marketable and we would urge the company to carry out the independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.

We have been informed that all information relevant for the purpose of issuing the Fairness Opinion report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.



Valuation Summary:

Upon the scheme becoming effective, the beneficial economic interest of the shareholders of PEL in the paid up equity shares of SIL would be same. All the shareholders of PEL would also become the shareholders of SIL, and their shareholding in SIL would mirror to their shareholding in PEL. The effect of demerger is that each shareholder of PEL would be allotted shares of SIL in the same proportion as in PEL and thus would become shareholders of SIL also. All the equity shares held by PEL and its nominee(s) shall stand cancelled, extinguished without any further act, instrument or deed. The percentage holding of a shareholder in PEL (post-demerger) would remain unchanged in SIL.

In the current instance, the determination of Fair Share Entitlement Ratio would not have any economic impact on the ultimate value of the shareholders of PEL and the proposed restructuring will be value-neutral to the shareholders of PEL.

Accordingly, the Board of Directors of PEL and SIL have proposed a share exchange ratio for the scheme having regard to the following factors:

- Desirable capital structure; and
- Serviceability of Capital.

So a detailed valuation to determine the swap ratio is not required, accordingly, fair valuation of equity shares has not been carried out.

**CONCLUSION ON FAIR VALUE AND SHARE EXCHANGE RATIO
RECOMMENDED BY VALUER:**

Given the above context, SIL shall, without any further act or deed and without any further payment, issue and allot the equity shares at par on a proportionate basis to each member of PEL whose name is recorded in the register of members of PEL as holding equity shares as may be recognized by the Board of Directors of PEL in the following proportion.

“3 (Three) equity share of Simandhar Impex Limited of face value of INR 10 each fully paid up shall be issued for every 10 (Ten) equity share of INR 10 each fully paid up held in Parshva Enterprise Limited (PEL) as on record date.”



Based on above and considering that all the shareholders of PEL are and will upon demerger, become shareholders of SIL holding economic interest in the same proportion as they hold in PEL, the proposed share entitlement ratio is fair to the shareholders of PEL in relation to the demerger.

It is to be noted that share exchange ratio was arrived at assuming that SIL and PEL will continue in operation in unhindered manner for the future as at present on a pre demerger standalone basis (going concern).

Our Fairness Opinion:

On the basis of and subject to the foregoing, to the best of our knowledge and belief, it is our view that , as on the date thereof, the share exchange ratio as recommended by the valuer in relation to the proposed demerger of Jewellery Business of PEL into SIL is fair, from a financial point of view.

This being of our best of professional understanding, we hereby sign the Fairness Opinion report on valuation.

For Navigant Corporate Advisors Ltd.



Sarthak Vijlani
Managing Director

Date: 14th May, 2024
Place: Mumbai