



Fastrack Finsec
Category-I Merchant Banker

May 11, 2018

Ref: FFPL/Banas-Proaim-Axon- Rockon/Fairness Opinion/18-19

Board of Directors
BANAS FINANCE LIMITED
E-109, Crystal Plaza, New Link Road, Andheri
(West), Mumbai - 400053

Board of Directors
PROAIM ENTERPRISES LIMITED
E-109 Crystal Plaza, New Link Road, Andheri
(West) Mumbai - 400053

Board of Directors
AXON VENTURES LIMITED
Shop No.26, Meera Co.-Op. Hsg Soc., New Li
Road Nr. Oshiwara Police Station, Andheri
(West) Mumbai - 400053

Board of Directors
ROCKON ENTERPRISES LIMITED
E-109, Crystal Plaza, New Link Road, Opp.
Infinity Mall, Andheri (West), Mumbai -
400053

Dear Sirs,

Subject:- Fairness Opinion on Valuation Report & Share Exchange Ratio for the purpose of proposed amalgamation of Proaim Enterprises Limited, Axon Ventures Limited and Rockon Enterprises Limited with Banas Finance Limited under a proposed Scheme of Amalgamation under section 230 to 232 of the Companies Act, 2013.

1. Background:

We, Fast Track Finsec Private Limited, a category I Merchant Banker registered with SEBI, having registration no. MB/INM000012500 have been jointly appointed by you to provide a fairness opinion on the valuation of shares & share exchange ratio recommended by Bagaria & Co LLP, Chartered Accountants ("hereinafter referred to as "Valuer"), who were the appointed valuer for the purpose of proposed amalgamation of Proaim Enterprises Limited (hereinafter referred to as "Amalgamating Company no. 1" or "Proaim"), Axon Ventures Limited (hereinafter referred to as "Amalgamating Company no. 2" or "Axon") and Rockon Enterprises Limited (hereinafter referred to as "Amalgamating Company no. 3" or "Rockon") with Banas Finance Limited ((hereinafter referred to as "Amalgamated Company" or "Bansa") under a proposed Scheme of Amalgamation under section 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the "Proposed Amalgamation").

2. Brief Background about the Companies:

- A. **Bansa Finance Limited** (hereinafter referred to as "Banas" or "Amalgamated Company") is an existing public limited company incorporated on 6th June, 1983 under the provisions of the Companies Act, 1956. The registered office of Banas is situated at E-109, Crystal Plaza, New Link Road, Andheri (West), Mumbai - 400053. Banas is Non-Banking Finance Company engaged in the

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Fast Track Finsec Private Limited

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business of purchase, leasing, factoring, financing of hire-purchase, lease of all kinds of plants and machineries, motor vehicles, motor boats, trawlers, launches, ships, vessels, helicopters, aircrafts, automobiles, computers or any other equipment that the Company may think fit and to assist in financing of all and every kind and description of hire purchase or deferred payment or similar transaction and all and every kind and description upon any terms whatsoever and to carry on business as investors and dealers in shares, stocks and securities, capitalists, financiers, concessionaires and to undertake, carry on and execute all kinds of financial, commercial and trading operations (except banking and insurance business under Banking regulation Act, 1949, and the Insurance Act, 1938) which may seem to be capable of being conveniently carried on and to make loans both short and long term with provision of financial software such as computer program.

The Equity Shares of Banas are listed at BSE Limited ("BSE").

- B. **PROAIM ENTERPRISES LIMITED** (hereinafter referred to as "Proaim" or "Amalgamating Company no. 1") is an existing public limited company incorporated on 21st December, 1984 under the provisions of the Companies Act, 1956. The registered office of Banas is situated at E-109, Crystal Plaza, New Link Road, Andheri (West), Mumbai – 400053. Proaim is engaged in the business of providing loans and Finance to firm, body corporate etc. and also to carry on business as merchants, traders, Distributors, Commission agents, Selling agents, Brokers, Buyers, Sellers, Importers, Exporters, Dealers in Textiles, Jewelleries, Medicinal work, and related activities.
- C. **Axon Ventures Limited** (hereinafter referred to as "Axon" or "Amalgamating Company no 2") is an existing public limited company incorporated on 7th August 1982 under the provisions of the Companies Act, 1956. The registered office of Banas is situated at Shop No.26, Meera Co.-Op. Hsg Soc., New Link Road Nr. Oshiwara Police Station, Andheri (West) Mumbai – 400053. Axon is engaged in business of Finance, making of Loan and Advances, Investment and Share Trading. Company also diversified its business line in to the filed Textiles as manufactures, traders, agents, suppliers, importers, exporters and deal in all kind of fabrics, yarns, clothes.
- D. **Rockon Enterprises Limited** (hereinafter referred to as "Rockon" or "Amalgamating Company no 3") is an existing public limited company incorporated on 10th June, 1976 under the provisions of the Companies Act, 1956. The registered office of Banas is situated at E-109, Crystal Plaza, New Link Road, Andheri (West), Mumbai – 400053. Rockon is engaged in the business of Finance, making of Loan and Advances, Investment, Share Trading and also deal in Computers, hardware with all other accessories and parts and development of software and technology of all kinds to run, sell, purchases any software park. Company also diversified its business line as manufactures, traders, agents, suppliers, importers, exporters and deal in all kinds of fabrics, yarns cloth and all other type of synthetics and cotton yarn.



The term "Companies" wherever used hereinafter in this report shall collectively refer to Banas, Proaim, Axon and Rockon.

3. About Fast Track Finsec Private Limited:

Fast Track Finsec Private Limited (hereinafter referred to as "Fast Track Finsec" or "FFPL" or "we" or "us") is a Private Limited company incorporated as on 18th March, 2010 under the provisions of the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi and Haryana. FFPL is a category I Merchant Banker registered with the Securities and Exchange Board of India (SEBI) with Registration no. MB/ INM000012500.

4. Scope and purpose of the opinion:

This Fairness Opinion is being issued in terms of the requirement of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The purpose of the opinion is to safeguard the interest of the shareholders of Banas, Proaim, Axon and Rockon and this opinion shall be made available to the Boards of Directors and Shareholders of Banas, Proaim, Axon and Rockon at the time of their respective meetings to pass the necessary resolutions for the approving and adopting the proposed scheme of amalgamation and, to the extent mandatorily required under applicable laws of India, may be produced before judicial, regulatory or governmental authorities, in connection with the proposed amalgamation.

This opinion is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

5. Sources of Information:

We have received the following information from the management of the Companies for the purpose of our opinion:

- Proposed Scheme of Amalgamation under Sections 230 to 232 of Companies Act, 2013 between Banas, Proaim, Axon and Rockon and their respective Shareholders and Creditors.
- Report on valuation of shares & share exchange ratio by M/s Bagaria & Co LLP, Chartered Accountants, dated May 7, 2018.

6. Fairness Opinion:

We have reviewed the methodologies used by the Valuer in arriving at the valuation of Shares of Banas, Proaim, Axon and Rockon and for providing their recommendation on the Share Exchange Ratio for the purpose of proposed amalgamation of Proaim, Axon and Rockon into Banas and also reviewed the underlying assumptions adopted to arrive at such valuation.



As stated in the valuation report, Valuer has recommended the following share exchange ratio for the proposed amalgamation of Proaim, Axon and Rockon into Banas:

- ✓ 50 Equity Shares of face value of Rs. 10 each of Banas credited as fully paid up to the Shareholders of Proaim for every 100 Equity Shares of Face value of Rs. 10/- each held in Proaim
- ✓ 48 Equity Shares of face value of Rs. 10 each of Banas credited as fully paid up to the Shareholders of Axon for every 100 Equity Shares of Face value of Rs. 10/- each held in Axon
- ✓ 26 Equity Shares of face value of Rs. 10 each of Banas credited as fully paid up to the Shareholders of Rockon for every 100 Equity Shares of Face value of Rs. 10/- each held in Rockon

Based on the information and data made available to us including the Valuation Report and the proposed scheme of amalgamation and subject to disclaimers as mentioned in this report, we are of the opinion that, the Share exchange ratio, as suggested by M/s Bagaria & Co LLP, Chartered Accountants, is fair and reasonable.

7. Disclaimer:

Our scope of work did not include the following:-

- An audit of the financial statements of Banas, Proaim, Axon and Rockon.
- Carrying out a market survey / financial feasibility for the Business of Banas, Proaim, Axon and Rockon.
- Financial and Legal due diligence of Banas, Proaim, Axon and Rockon.

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

We assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of Banas, Proaim, Axon and Rockon.

We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents other than those stated above.

We do not assume any obligation to update, revise or reaffirm this Valuation Report because of events or transactions occurring subsequent to the date of this report.

We understand that the management of Banas, Proaim, Axon and Rockon during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our opinion. In this opinion we have included all such information and matters as was received by us from the management of Banas, Proaim, Axon and Rockon.



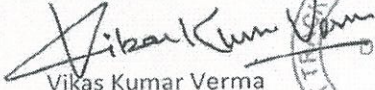
The fee for our services is not contingent upon the result of the proposed amalgamation.

The management of Banas, Proaim, Axon and Rockon or their related parties are prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this opinion available to any party other than those required by statute for carrying out the limited purpose of this opinion. This opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified in this opinion, under any Indian or Foreign Law, Statute, Act, Guidelines or similar instructions. We would not be responsible for any litigation or other actual or threatened claims.

In no event, will FFPL, its Directors and employees be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Thanking You

For Fast Track Finsec Private Limited


Vikas Kumar Verma
Director
DIN:- 05176480

