



Corporate Capital Ventures

(SEBI Registered Category I Merchant Bankers)

To

The Board of Directors

Sagar Soya Products Limited

32, Vyapar Bhavan, P.D. Mello Road,
Mumbai- 400009

Subject: Fairness Opinion on the Valuation Report of Equity Shares of Sagar Soya Products Limited carried out by M/s Ravindra Dhakar & Associates, Chartered Accountants for the purpose of reduction of share capital through scheme of capital reduction under section 66 of the Companies Act, 2013

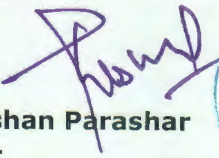
Dear Sirs,

Please find attached the Fairness Opinion Report on Valuation of Equity Shares of Sagar Soya Products Limited (hereinafter referred to as "Company") carried out by M/s Ravindra Dhakar & Associates, Chartered Accountants pursuant to scheme of capital reduction under section 66 of the Companies Act, 2013 read with National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016.

The Opinion has been prepared exclusively for the management of Company. It should not be used, reproduced or circulated to any other person, in whole or in part without the consent of Corporate Capital Ventures Private Limited. We are however aware that conclusion in this report may be used for the purpose of certain statutory disclosures and we hereby provide consent for filing of same purpose.

Thanks and regards

For Corporate Capital Ventures Private Limited


Kulbhushan Parashar
Director



Place: New Delhi

Date: March 14, 2018

Corporate Capital Ventures Pvt. Ltd.

CIN: U74140DL2009PTC194657

160, LGF, Vinoba Puri, Lajpat Nagar-II, New Delhi-110 024

Tel: +91 11 4170 4066, Website: ccvindia.com, Email: info@ccvindia.com, ccvindiamb@gmail.com

Mumbai Office: 4A9, Gundecha Onclave, Kherani Road, Sakinaka, Mumbai 400 072



FAIRNESS OPINION REPORT ON
"VALUATION REPORT OF EQUITY SHARE CAPITAL"
FOR PROPOSED SCHEME OF REDUCTION OF SHARE CAPITAL OF
"SAGAR SOYA PRODUCTS LIMITED"





1. PRECEDENT

We refer to our engagement letter dated February 14, 2018 ("**Engagement Letter**"), whereby Sagar Soya Products Limited ("**SSPL**") has appointed Corporate CapitalVentures Private Limited (hereinafter referred to as "**CCV or 'We'**"), SEBI registered Category-I Merchant Bankers, having license number INM000012276 to provide an Independent Fairness Opinion on the Valuation of Shares provided by M/s Ravindra Dhakar & Associates, Chartered Accountants, ("**Valuers**") having their office at G-29, Super Tex Tower, Ring Road, Surat-395002, for the proposed reduction of Share Capital of SSPL.

2. SCOPE OF FAIRNESS OPINION

The Management of the Company in terms of the Engagement Letter has requested CCV, to submit an independent opinion (the "Fairness Opinion") to the Board of Directors of the Company on the Valuation of Equity Shares provided by the Valuer. The scope of this Fairness Opinion includes commenting on the fairness of the valuation of Share provided by the Valuer and not on the fairness or economic rationale of the proposed scheme.

3. BRIEF BACKGROUND OF COMPANY

I. SAGAR SOYA PRODUCTS LIMITED having CIN L15141MH1982PLC267176 was incorporated under the Companies Act, 1956, on 27th September, 1982, in the name of SAGAR SOYA PRODUCTS PRIVATE LIMITED and subsequently the name of the Company was changed to SAGAR SOYA PRODUCTS LIMITED vide fresh certificate of incorporation consequent on change of name issued by the Registrar of Companies on 15th September, 1984. The Company is into extraction of Soya Oil and has a plant in Sagar, Madhya Pradesh. At present the Equity Shares of the Company are listed on the BSE Limited.

II. Capital Structure

- a) The Authorised Share Capital of the Company is of Rs. 10,00,00,000/- (Rupees Ten Crores Only) comprising of 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.
- b) The issued, Subscribed and Paid up Equity Share Capital is of Rs. 5,85,16,890/- (Rupees Five Crores Eighty Five Lakhs Sixteen Thousand Eight Hundred Ninety only) comprising of 58,51,689 (Fifty-Eight Lacs Fifty-One Thousand Six Hundred Eighty-Nine) Equity Shares of Rs.10/- (Rupees Ten only) each fully paid up.

III. RATIONALE OF THE SCHEME

- a) In view of the accumulated carry forward losses that the Company's Balance Sheet is not reflecting at its actual value and with the future prospect of growth and value addition to the shareholders, the Company has proposed to clean its books thereby enabling the Company to raise future resources considering the expansion programs that has been considered for development would need huge amount of investment both in terms of equity as well as debt.



- b) Continuous Losses have substantially wiped off the value represented by the Share Capital thus the financial statements do not reflect the correct picture of the health of the Company.
- c) The Scheme of Reduction of Share Capital is presented with a view to achieve Restructuring of the Company which would result in the increase in the net worth of the Company and improvement in financial health as more business activities shall be brought into the Company thereby preventing it from becoming a sick company.
- d) The Scheme of Reduction of Share Capital will result in reflecting the financial statements and the net worth at the actual values which would enhance shareholders value and confidence.
- e) Pre and Post Reduction of Share Capital is as follows:

Particulars	Before Reduction	Post Reduction
Paid Up as on 31.03.2017 in Rs.	58,516,890	2,925,844
Accumulated losses in Rs.	(60,126,918)	(4,535,872)
Net Worth in Rs.	(1,610,028)	(1,610,028)
Face Value in Rs.	10.00	10.00
No. of Shares	5,851,689	292,584

- IV. M/s Ravindra Dhakar & Associates, Chartered Accountants, have been appointed by the Management of SSPL to arrive at the fair value of equity shares of SSPL for the proposed Capital Reduction Scheme in compliance with the provisions of SEBI Circular.

4. SOURCES OF THE INFORMATION

We have received the following information from the management of SSPL:

1. Proposed Scheme of capital reduction under section 66 of the companies act, 2013 read with National Company Law Tribunal (Procedure for reduction of share capital of Company) rules, 2016.
2. Report on Valuation of Shares by M/s Ravindra Dhakar & Associates, Chartered Accountants, dated 21st February 2018.
3. Audited Financial Statement of SSPL for the last three financial years.
4. Memorandum and Articles of Association
5. Other written/ verbal information given to us by the Management.

5. VALUE ARRIVED AT BY VALUER

As stated in the Valuation Report, the fair value of the equity shares of the Company as calculated by M/s Ravindra Dhakar & Associates is Re. 0.91 (Ninety One Paise only) for each Equity Shares of SSPL having face value of Rs. 10/- Each (Rupees Ten Only) fully paid up.

6. OUR FAIRNESS OPINION ON VALUER'S RECOMMENDATION

Our review was performed to recommend the fairness of the Valuation of Shares arrived at, pursuant to Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements), 2015



subject to sanction and approval of scheme of arrangement of SSPL by the National Company Law Tribunal, Shareholders and other relevant Authorities.

In the event of aforesaid Arrangement being approved by the Shareholders and confirmed by the National Company Law Tribunal the Equity Share Capital of the Company will be reduced by cancelling a sum of Rs. 5,55,91,045.50 which will result in reduction of shareholding in such a manner that a Shareholder holding 20 (Twenty) Equity shares having face value of Rs. 10 will have One (1) Equity share having face value of Re. 10.

Based on the information, material data made available to us, including the valuation report of M/s Ravindra Dhakar & Associates, Chartered Accountants, we report that:

On the basis of documents verified and information sought from the management of Sagar Soya Products Limited including Valuation report and working thereto, to the best of our knowledge and belief, the methodologies used and Valuation of equity shares suggested by the valuer M/s Ravindra Dhakar & Associates, Chartered Accountants vide their report dated 21st day of February 2018 appears to be Fair and Reasonable.

7. DISCLAIMER:

1. **Our scope of work did not include the following:-**
 - a. An audit of the financial statements of any of the Companies discussed in this opinion.
 - b. Financial and Legal due diligence of any of the Companies discussed in this opinion.
2. 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.
3. We assume no responsibility and make no representations with respect to the accuracy or sufficiency or completeness of any information provided by the management of the Company /valuer. We have not conducted any independent appraisal of any assets or liabilities of the Companies. We have not reviewed any other documents other than those stated above.
4. Our work did not constitute a validation of the financial statement of the Companies and accordingly we do not express any opinion on the same. If there were any omission, inaccuracies, or misrepresentations of the information provided by the management, it may have material effect on our findings.
5. The opinion must not be made available or copied in whole or in part to any other person without our express written permission save and except for the limited purpose of this opinion.
6. We understand that the management of the Company/ valuer 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 management of the Company/valuer.
7. The management of the Company or their related parties is 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





Corporate CapitalVentures Pvt. Ltd.

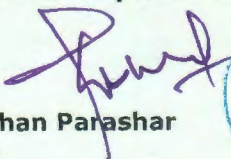
(SEBI Registered Category I Merchant Bankers)

purpose of this opinion. This opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified as above, 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.

8. In rendering the opinion, CCV has not provided legal, regulatory, tax, accounting, actuarial or investment advice and accordingly we do not assume any responsibility in respect thereof. Further we have assumed that the Scheme will be implemented on the terms and conditions as set out in the draft scheme without any material change to or waiver of its terms and conditions.
9. We hereby declare that we do not have any direct or indirect interest in the Company/assets valued.
10. The report is issued on the understanding that it is solely for the use of the person to whom it is addressed and for the purpose described above. We will not accept any liability or responsibility to any other person other than those to whom it is addressed.
11. In no event, will CCV, 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 Corporate CapitalVentures Private Limited


Kulbhushan Parashar
Director



Place: New Delhi

Date: March 14, 2018