



# Navigant Corporate Advisors Ltd.

(CIN : U67190MH2012PLC231304)

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Date: 29<sup>th</sup> February, 2016

To,  
The Board of Directors,  
Inland Printers Limited  
800, 8<sup>th</sup> Floor, Sangita Ellipse,  
Sahakar Road, Vile Parle (East)  
Mumbai -400 057

Dear sir(s),

Sub: Fairness Opinion- on the Draft scheme of Reduction of capital of M/s. Inland Printers Limited - under section 100 to 104 of Companies Act 1956 read with Section 66 of the Companies Act, 2013.

We refer to the engagement letter issued to us, to give "Fairness Opinion Report" on the Independent Valuation done by M/s. Samdani & Hamirwasia, Chartered Accountants, vide their Report dated 24.02.2016.

Our opinion is provided in the annexure consisting of seven pages.

Yours faithfully,

For Navigant Corporate Advisors Limited  
INM000012243

*N.M. Kanabar*

Nikunj Kanabar  
Manager-Merchant Banking



Encl: as above

**Fairness Opinion Report for Proposed Scheme of Reduction of Capital of**

**INLAND PRINTERS LIMITED**

Prepared by



**Navigant**

**Navigant Corporate Advisors Limited**  
Office No.6, Ground Floor, Bandukwala Building,  
British Hotel Lane, Off. Bombay Samachar Marg  
Fort, Mumbai-400 001  
Email Id- [navigant@navigantcorp.com](mailto:navigant@navigantcorp.com)

29<sup>th</sup> February, 2016

SEBI Registered Category I Merchant Banker

SEBI Registration No. INM000012243



**Terms of Reference**

Navigant Corporate Advisors Limited, a SEBI Registered Category I Merchant Banker with SEBI Registration Number INM000012243, have been appointed by M/s. Inland Printers Limited (here in after referred to as the Company) having their Registered Office at 800, 8<sup>th</sup> Floor, Sangita Ellipse, Shakar Road, Vile Parle (East) Mumbai- 400057 to give a "Fairness Opinion" pursuant to Clause 24(h) of the erstwhile listing Agreement and as per BSE checklist of seeking documents under Regulation 37 of SEBI (LODR) Regulations, 2015 on the Valuation Report issued by M/s. Samdani & Hamirwasia, Chartered Accountants vide their Report dated 24.02.2016 for the Proposed Scheme of Capital Reduction of the Company,

**Objective of the "Fairness Opinion" Report**

The Objective of this report is to provide a fairness opinion on the Report dated 24.02.2016, given by M/s Samdani & Hamirwasia, Chartered Accountants, FRN: 1121161W having office at 106 -D, Trade Corner, Saki Naka, Andheri (East), Mumbai - 400 072.

**Scope of Work**

To issue fairness opinion report based on financial data and information provided to us by M/s. Inland Printers Limited and Equity Shares Valuation Report issued by M/s Samdani & Hamirwasia, Chartered Accountants vide their Report dated 24.02.2016.

**Brief Corporate Profile**

**M/s Inland Printers Limited - a Brief Profile**

M/s. Inland Printers Limited, is a Company incorporated under the Companies Act, 1956 vide CIN: L99999MH1978PLC020739 on 03 11.1978. Inland Printers Limited is engaged in business of printing stationery with its main activities being in standard impression paper and printing brochures using the offset printing process. The company produces / markets printed products such as memorandum & articles of association, annual reports, dividend warrants, interest warrants, continuous stationery and computer forms, prospectuses and other documents, corporate profiles, application and business forms, brochures, publicity material, product literature and books.

**Board of Directors:**

DIN	Full Name	Designation	Present residential address	Date of appointment
00483970	Ashok Devakinandan Bansal	Director	A-603, Emerald Court Co-Op Hsg. Society, Behind Regent Hotel, Kondivita Lane, Andheri(E),, Mumbai, 400059, Maharashtra, India	28.01.2013
00497902	Melwyn Jerome Fernandes	Director	101, Navratna Apts, Kole Kalyan Village, ST. Anthony's Street, Kalina Santacruz(E), Mumbai - 400098	28.01.2013
06940768	Kirankumar Rameshbhai Patel	Director	3, Kamboi Nagar Soc, Gayatri Shakti Pith Road, Nr Ashray Hotel, Mehsana, 384002, Gujarat, India	31.03.2015
07144947	Nitaben Bhaveshkumar Patel	Director	16, Kacho Madh, Pilji Gunj, Mahesana-384001	31.03.2015



**Main Objects of Company**

1. To carry on business as printers by all processes, which includes letterpress, offset, screen printing and other methods, publishers, stationers, typesetters, book-binders, block makers, engravers and die sinkers and as manufacturers of and dealers in account-books, envelopes, bags, card board boxes, calendars, diaries, visiting, festive, compliment, invitation, wedding and other ceremonial or fancy cards, papers, types and type metal, printing ink and other printing accessories.
2. To carry on the business in India, and elsewhere of manufacture of and elsewhere of manufacture of and act as dealers in and importers and exporters of Books, Printed Materials of all kinds, printing Machinery and its accessories, paper and board in reels and sheet form.

**Capital Structure**

The Authorized Equity Share Capital of the Company as on 31.03.2015 is Rs. 1000 Lacs. Issued Capital of the Company is Rs. 7,39,05,000 divided in to 73,90,500 Equity Shares of Rs. 10/- Each and Paid-up Equity Capital of the Company is Rs. 730.47 Lacs after calls in arrears of Rs. 8,58,500/- of 1,71,700 Equity Shares. Company is in the process of forfeiture of 1,71,700 Equity shares on which calls are in arrears.

The Board of Directors of Inland Printers Limited is proposing a scheme where on the effective date and after securing necessary approvals and permissions, the accumulated losses of Rs. 5,77,50,400/- of the Company out of total accumulated loss (Net of Reserves) of Rs. 7,47,61,757/- is to be set off against the paid up capital of the Company of Rs. 7,21,88,000 /- consisting of 72,18,800 fully paid up shares of Rs. 10/- each. Thus Paid Up capital will stand at Rs. 1,44,37,600 divided into 72,18,800 fully paid up shares of Rs. 2/- Per Share.

Consequently, every shareholders of the Company, whose name appears on the register of members on the Record Date, shall receive 1 (One) Equity Shares of Rs. 2 /- each in lieu of every 1 (One) Equity Shares of Rs. 10/- each held in the Company.

We, Navigant Corporate Advisors Limited, a SEBI registered category-I Merchant Banker, have been engaged to give a fairness opinion on Valuation Report issued for the proposed Scheme on Reduction of Capital of M/s. Inland Printers Limited. The Valuation mentioned herein reflects our independent opinion which is arrived at based on the information provided to us.

**Purpose and Rationale of the Reduction of Capital**

There is accumulated losses in the Company's Balance Sheet, and the objective is to wipe out accumulated losses.

The purpose of the scheme is to reorganize the Capital Structure of the Company so as to represent the realistic value of the Company.

**Statement of limiting Conditions**

Our expression of the Fairness Opinion on the Value per Share for the Proposed Scheme of Capital Reduction of M/s. Inland Printers Limited is based on the financial statements and working done on the basis of financial results.

1. The Report is issued on the understanding that the Company has made all disclosures related to all material information and its financial position, which has an impact in arriving at the fairness opinion given on the valuation report.



2. Neither Navigant Corporate Advisors Limited nor any of its employees has a financial interest in the Subject Company and/or asset(s).
3. No investigation of the title to the subject asset(s) has been made and the owner's claims to the subject asset(s) are assumed to be valid. No responsibility is assumed for matters of legal nature, including liens or encumbrances, which may be against the subject asset(s), except as specifically stated in the report. Our work does not constitute an audit or certification of historical statements including the working results of the Companies referred in this report.
4. We take no responsibility to update this report for events and circumstances occurring after the date of this report.
5. This report has been prepared solely for the purpose stated and should not be used for any other purpose.
6. On the basis of our professional skill, our understanding of the business, related to the industry, market survey, we have arrived at the Fairness opinion. Neither Navigant Corporate Advisors Limited nor any individual signing or associated with this report shall be required by reason of this report to give testimony or appear in court or other legal proceedings.
7. Our report is not and nor should it be construed as our opinion or certifying the Compliance of the proposed arrangement of capital reduction with the provisions of any Law including Companies, Taxation, Foreign Exchange Regulations and Capital Market related laws or as regards any legal implications or issues arising from such arrangement.

**KEY EXTRACTS OF VALUATION REPORT OF M/S SAMDANI & HAMIRWASIA, CHARTERED ACCOUNTANTS**

The basic valuation methodologies adopted for the purpose are:

1. Net Asset Value Method (NAV)
2. Profit Earning Capacity Method (PESV)
3. Market Price Method (MV)

Due care on operating guidelines for valuation of the Equity Shares have been considered for the purpose of valuation of equity share for the proposed scheme of Reduction of Capital of the Company.

*The Capital Structure pre and post reduction is as follows:*

Particulars	Unit	Before Reduction as on 31.03.2015	Post Reduction*
Paid Up Capital	Rs.	7,30,46,500	1,44,37,600
Reserve and Surplus	Rs.	(7,47,61,757)	(1,70,11,357)
Net worth	Rs.	(17,15,257)	(25,73,757)
No. Of Shares	Rs.	73,90,500	72,18,800*
Face Value of each Shares	Rs.	10/-	2/-

\* After consideration of forfeiture of 1,71,700 Equity shares on which calls are in arrears are due.

**Conclusion and Opinion on Valuation Report**

Our review was performed to recommend the fairness of the Valuation of Shares arrived at, for the purpose of supporting the valuation and decision making process of the Company for the purpose of clause 24(f) read with clause 24(h) of the erstwhile listing agreement and as per BSE checklist of seeking documents under Regulation 37 of SEBI (LODR) Regulations, 2015 subject to the sanction



and approval of the Scheme of Arrangement of M/s. Inland Printers Limited by the Jurisdictional Court, Shareholders and other relevant authorities.

In the event the aforementioned Arrangement being approved by the Shareholders and confirmed by the Hon'ble Court the Equity Share Capital of the Company will be reduced by cancelling a sum of Rs. 5,77,50,400/- which will result in reduction of shareholding in such a manner that a shareholder holding One (1) share of Rs.10 each will have One (1) share of Rs. 2 each.

For Recommendation of "Fairness Opinion on Value of Equity Share" we have relied upon the following data and documents for information:-

- Annual Reports of M/s. Inland Printers Limited for the years ending March 31<sup>st</sup>, 2015, 2014 and 2013.
- Discussions with the Management of M/s Inland Printers Limited.
- Certified True Copy of the Valuation Report dated 24.02.2016 by M/s Samdani & Hamirwasia, Chartered Accountants.
- Draft Scheme of Reduction of Capital between Inland Printers Limited and its shareholders.

Based on the information, material data made available to us including the valuation report and working thereto by the valuer M/s. Samdani & Hamirwasia, Chartered Accountants, we report that:

*On the basis of the documents verified and information sought from the management of Inland Printers Limited including valuation report and working thereto, to the best of our knowledge and belief, the methodology used and corresponding valuation of Equity Share suggested by the valuer M/s. Samdani & Hamirwasia, Chartered Accountants, vide their Report dated 24<sup>th</sup> February, 2016 appears to be Fair and Reasonable.*

