


**Bajaj Capital Securities Limited**
*(formerly known as Bajaj Capital Holdings Limited)*

 SEBI Merchant Banking Registration No.: INM000013208  
 [CIN: U65999DL2019PLC346813]

 Registered Office: Mezzanine Floor, 97, Bajaj House,  
 Nehru Place, New Delhi -110019, India

Phone: +911167000000

email: info@bajajcapitalsec.com

[www.bajajcapitalsec.com](http://www.bajajcapitalsec.com)
**March 26, 2025**
**The Board of Directors**

 Royal Cushion Vinyl Products Limited  
 60CD, "Shlok" Government Industrial Estate  
 Charkop, Kandivali(W), Mumbai – 400067, Maharashtra

&amp;

**The Board of Directors**

 Natroyal Industries Private Limited,  
 60CD, "Shlok" Government Industrial Estate  
 Charkop, Kandivali(W), Mumbai – 400067, Maharashtra.

**Subject: Fairness Opinion on the Valuation and Share Exchange Ratio pursuant to the Scheme of Arrangement**

Dear Sirs,

We, **Bajaj Capital Securities Limited** (*referred to as 'Bajaj' or 'BCSL'*), refer to our engagement letter dated March 20, 2025 which has been duly accepted for our appointment, as an Independent Merchant Banker for furnishing a 'Fairness Opinion' on the Valuation Report dated March 26, 2025 issued by Ashwini Chitale, Registered Valuer, (Regn No: IBBI/RV/06/2019/11596) residing at 4/46, Jay Hanuman Society, Paranjpe B Scheme Road 1, Vile Parle East, Mumbai – 400057 ("Valuation Report") with respect to the Scheme of Arrangement being considered between M/s. Natroyal Industries Private Limited (hereinafter referred to as "NIPL" or "Transferor Company"), M/s Royal Cushion Vinyl Products Limited (hereinafter referred to as "RCVPL" or "Transferee Company") and their respective shareholders and creditors ("Scheme") in accordance with Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and applicable SEBI Guidelines, Regulations including LODR Regulations, SCRR and the SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 June 20, 2023, any subsequent amendments thereof including any statutory modifications, re-enactment or amendment thereof from time to time.

## BACKGROUND OF THE COMPANIES

### Natroyal Industries Private Limited (“NIPL”):

NIPL or “Transferor Company”, is a Company incorporated under the Companies Act, 1956 and having its registered office at 60CD, “Shlok” Government Industrial Estate, Charkop, Kandivali(W), Mumbai – 400067, Maharashtra India.

It was incorporated as Vijayjyot Seats Private Limited in the State of Maharashtra on September 20, 1989 and subsequently renamed as Natroyal Industries Private Limited on March 18, 2014. The Transferor Company is primarily engaged in the business of manufacturing of seating components, coated textile fabrics, knitted fabrics and trading of PVC Vinyl Flooring/ chemical items. The Transferor Company is related to the promoter and promoter group of the Transferee Company.

### Share Capital:

The Present Share Capital of NIPL (Transferor Company) as on December 31, 2024 is as under:

Particulars	Amount in INR
<b>Authorised Share Capital</b>	
10,90,000 Equity shares of Rs. 100 /- each	10,90,00,000
<b>Issued, Subscribed and Paid-up</b>	
7,22,170 Equity shares of Rs. 100 /- each fully paid up	7,22,17,000

### Royal Cushion Vinyl Products Limited (“RCVPL”):

RCVPL or “Transferee Company” incorporated under the Companies Act, 1956 and having its registered office at 60CD, “Shlok” Government Industrial Estate Charkop, Kandivali(W), Mumbai – 400067, Maharashtra India, was incorporated as a private limited company in the State of Maharashtra under the name and style of “Royal Cushion Vinyl Products Private Limited” on November 21, 1983. Later it became a public limited company on January 18, 1993. RCVPL’s equity shares are listed on the BSE Limited (“BSE”). The Transferee Company is primarily engaged in manufacturing and supplying of PVC (Polyvinyl Chloride) floor covering, PVC sheets and PVC leathercloths.

## Share Capital

The Present Share Capital of RCVPL (Transferee Company) as on December 31, 2024 is as under:

Particulars	Amount (INR)
<b>Authorised Share Capital</b>	
5,00,00,000 Equity shares of Rs. 10/- each	50,00,00,000
<b>Issued, subscribed and paid-up Share Capital</b>	
3,65,88,462 Equity shares of Rs. 10/- each fully paid up	36,58,84,620

## OBJECTS AND RATIONALE OF THIS SCHEME

1. The Transferor Company is engaged in the business of manufacturing of seating components, coated textile fabrics, knitted fabrics and trading of PVC Vinyl Flooring/chemical items. The Transferee Company is engaged in the business of manufacturing and supplying PVC floor covering, PVC sheets and PVC leathercloth. Both the companies are in a related line of business activities and are held by the same controlling shareholders group.
2. The Scheme will enable the Transferee Company to position itself as a larger and competitive organisation by pooling of various resources Including human resources, finance, capital base, manufacturing facilities, operational and management capabilities etc. thereby enabling accelerated growth and development of the combined businesses.
3. The Scheme provides an opportunity to help the Transferor Company and the Transferee Company in achieving efficiency and synergy in operations by combining the business of the Transferor Company with the Transferee Company, which will result into better and more productive utilization of various resources and economies of scale including reduction in overhead expenses relating to administration, operations and management of the businesses.
4. The Scheme will enable the companies concerned to rationalize and streamline their management business and finances and to eliminate duplication of work to their common advantages.
5. Thus, with an intent to achieve aforesaid objectives and further in order to consolidate, streamline and effectively merge the Transferor Company and the Transferee Company in a single entity it is intended that the Transferor Company be merged/amalgamated with the Transferee Company.
6. In view of the aforesaid objectives, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation for the transfer and vesting of the Undertaking of the Transferor Company and business of the Transferor Company with and into the Transferee Company and other ancillary and incidental matters stated herein, with an opinion that the amalgamation and other provisions of the Scheme would benefit the shareholders, employees and other stakeholders of the Transferor Company and the Transferee Company.

7. The amalgamation of the Transferor Company with the Transferee Company will combine the business, activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Appointed Date and shall be in compliance with the provisions of the IT Act (as defined hereunder), including Section 2(1B) thereof or any amendments thereto.

**FAIRNESS OPINION:**

As per the Valuation Report dated March 26, 2025, issued by Ashwini Chitale, Registered Valuer (Regn No: IBBI/RV/06/2019/11596) residing at 4/46, Jay Hanuman Society, Paranjpe B Scheme Road 1, Vile Parle East, Mumbai – 400057, the recommended share exchange ratio is as follows:

61 (sixty-one) equity shares of nominal value of INR 10/- each (Indian Rupees Ten Only) of RCVPL (Transferee Company) for every 1 (One) fully paid-up equity share of the face value of INR 100/- each of NIPL (Transferor Company).

Based on the facts, information and explanations relevant in the present case, our examination of the Valuation Report and our independent analysis and evaluation of such information and subject to the scope limitations and caveats as mentioned herein below and to the best of our knowledge and belief we Bajaj Capital Securities Limited are of the opinion that the share entitlement ratio of equity shares of RCVPL and NIPL pursuant to the Scheme is reasonable and **fair**.

**UPON THE SCHEME BEING FINALLY EFFECTIVE,****a. Authorised Share Capital of RCVPL (Transferee Company)**

The Authorized Capital of Transferor Company will get merged with that of the Transferee Company without payment of additional fees and duties as the said fees have already been paid and the Authorised Capital of the Transferee Company will be increased to that effect.

**b. Dissolution of NIPL (Transferor Company)**

Upon the scheme being sanctioned by the Tribunal under section 230 read with section 232 of the Companies Act, 2013 and on it becoming effective, the Transferor Company shall be dissolved without going through the process of winding up with effect from the appointed date or such other date as may be fixed by the Tribunal.

## SOURCES OF INFORMATION

We have relied on the following information furnished to us for the purpose of giving a Fairness Opinion:

1. Valuation Report dated March 26, 2025 issued by the Registered Valuer and related information and documents for the same relied upon by the valuer for the valuation exercise.
2. Draft of the Scheme.
3. Information such as the Memorandum and Articles of Association, annual reports for the last three financial years of both the companies and for the period ended December 31, 2024.

## LIMITATION AND CAVEATS OF THE FAIRNESS OPINION

It is the responsibility of the Board of Directors of both the companies for ensuring compliance in connection with the proposed proposal. Our role is to examine the valuation carried out by the Registered Valuer and scope of work includes commenting on the fairness of the same.

1. Our 'Fairness Opinion' is based on the information made available to us by the Management of both RCVPL and NIPL. Any subsequent changes to the financial and other information provided to us, may affect the result of value analysis set out in this report. We have reviewed the information made available to us on a preliminary level for an overall consistency but have not carried out any detailed tests in the nature of audit or any other analysis to establish the accuracy of such statements and information. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and on behalf of the company. Our Fairness Opinion should not be construed as investment advice, specifically, and we do not express any opinion on the suitability or otherwise of the proposed transaction.
2. The information contained in this report is selective and is subject to updates expansions, revisions and amendment. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.
3. In rendering this Fairness Opinion, BCSL has not provided legal, regulatory, tax, accounting or actuarial advice and accordingly BCSL does not assume any responsibility in respect thereof. Therefore, our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provision of any law including companies, taxation and capital market related laws or as regards any legal implication or issues arising thereon. Further BCSL has assumed that the proposal will be implemented on the terms and conditions as set out without any material changes to or waiver of its terms and conditions.

4. We further declare that we do not have any direct or indirect interest in the companies / assets valued.
5. This report is intended only for the sole use and information of the companies and its shareholders only in connection with the Scheme including for the purpose of obtaining judicial and regulatory approvals for the same.
6. We are not responsible in any way to any other person/party for any decision of such person or party based on this report. Any person /party intending to provide finance / invest in the shares / business of any of the companies or their subsidiaries / joint venture / associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision.
7. It is hereby notified that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposal as aforesaid can be done only with our prior permission in writing.
8. Our analysis and conclusions are also specific to the date of this report and based on information as on March 20, 2025 being the date of our engagement letter signed for the purpose of providing a Fairness Opinion on the valuation carried out by the Registered Valuer for the purpose of arriving at the Share Exchange Ratio or the swap ratio for the Scheme. An exercise of this nature involves consideration of various factors. This report is issued on the understanding that the companies have drawn our attention to all the matters, which they are aware of concerning the financial position of the companies, their businesses, and any other matter, which may have an impact on our opinion, on the Equity Share Exchange Ratio in the envisaged in the Scheme, including any significant changes that have taken place or are likely to take place in the financial position of the companies or their businesses, subsequent to the proposed Appointed Date for the proposal.

We have no responsibility to update this report about events and circumstances occurring after the date of this report.

It may further be noted that in no circumstances shall the liability of BCSL, its directors or employees related to the service provided in connection with this value analysis, exceed the amount paid to us as our fees for this opinion

**Bajaj Capital Securities Limited***(formerly known as Bajaj Capital Holdings Limited)*

SEBI Merchant Banking Registration No.: INM000013208

[CIN: U65999DL2019PLC346813]

Registered Office: Mezzanine Floor, 97, Bajaj House,  
Nehru Place, New Delhi - 110019, India

Phone: +911167000000

email: [info@bajajcapitalssec.com](mailto:info@bajajcapitalssec.com)[www.bajajcapitalssec.com](http://www.bajajcapitalssec.com)

We highly appreciate the co-operation and support received by us from your representatives during preparation of the said Fairness Opinion Report

Thanking you,

Yours faithfully,

For **Bajaj Capital Securities Limited**

TALLAPALLI

RAMANNA

PRASHANTH KUMAR

Digitally signed by TALLAPALLI

RAMANNA PRASHANTH

KUMAR

Date: 2025.08.26 22:29:43

+05:30'

**Prashanth Kumar****Whole Time Director & CEO**

Encl: Valuation Report by the Registered Valuer.