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## 3DIMENSION CAPITAL SERVICES LIMITED

SEBI Registered (Category - I) Merchant Banker  
SEBI Registration No. INM000012528

OUR PATH YOUR SUCCESS

Date: February 27, 2026

To,

Board of Directors

Magnum Ventures Limited

Room No. 118, First Floor, MGM Commercial Complex,  
4634/1, Plot No. 19, Ansari Road, Darya Ganj,  
New Delhi-110002, India

Dear Sirs,

**Subject: Fairness Opinion on Share Exchange Ratio for the purpose of proposed Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 among Magnum Ventures Limited and Magnum Paperz Limited.**

### I. Background:

We, M/s 3Dimension Capital Services Limited, a Category I Merchant Banker registered with the Securities and Exchange Board of India (SEBI) (hereinafter referred to as “**3DCSL**” or “**Merchant Banker**”) have been appointed by M/s Magnum Ventures Limited (CIN: L21093DL1980PLC010492), a company incorporated under the provisions of the Companies Act, 1956 and an existing company under the provisions of the Companies Act, 2013 and having its registered office at Room No. 118, First Floor, MGM Commercial Complex, 4634/1, Plot No. 19, Ansari Road, Darya Ganj, New Delhi-110002, India (“**MVL**” or “**Demerged Company**”) to provide a fairness opinion on share exchange ratio recommended by Ms. Mallika Goel, Registered Valuer (under the Asset class- Securities or Financial Assets) and having IBBI Registration No- IBBI/RV/11/2022/14784 (“hereinafter referred to as “**Registered Valuer**”), who is the appointed valuer under a proposed Scheme of Arrangement (“**Scheme**” or “**Proposed Scheme**”) for the purpose of the following:

- A. Proposed Demerger of Paper Business of Magnum Ventures Limited as defined in the Proposed Scheme (“hereinafter referred to as “**Demerged Undertaking**”) from Magnum Ventures Limited (“**MVL**” or “**Demerged Company**”) and its consequent vesting into Magnum Paperz Limited (“**MPL**” or “**Resulting Company**”); and



- B. Consequent reduction of share capital of MVL and other matters incidental, consequential and integrally connected thereto.

Demerged Company and Resulting Company shall hereinafter collectively be referred to as “Companies”.

## II. Brief Background about the Companies:

- A. **Magnum Ventures Limited (“MVL” or “Demerged Company”)** is an existing company under the provisions of the Companies Act, 2013. MVL was incorporated on May 29, 1980 under the provisions of the Companies Act, 1956. The present registered office of MVL is situated at Room No. 118, First Floor, MGM Commercial Complex, 4634/1, Plot No. 19, Ansari Road, Darya Ganj, New Delhi-110002, India. The CIN of MVL is L21093DL1980PLC010492.

### Share Capital and Debentures:

The present paid-up share capital of MVL is INR 71,66,13,170 divided into the following:

- 6,84,11,317 Equity Shares of INR 10 each aggregating to INR 68,41,13,170; and
- 3,25,000 Compulsorily Redeemable Preference Shares of INR 100 each aggregating to INR 3,25,00,000.

MVL has also issued 23,000 Secured Listed Non-Convertible Debentures (NCD) which are listed on BSE and NSE.

### Business Activities:

Presently, MVL is engaged in the business of paper manufacturing and hospitality business. As on date, businesses of MVL can be divided into following business verticals:

- ✦ **Paper Business:** Under this vertical, MVL is engaged in the business of manufacturing of paper and paper products from wastepaper (together with all activities incidental or ancillary thereto) through its manufacturing facilities at Sahibabad, District Ghaziabad, Uttar Pradesh.

- ✦ **Hotel Business:** MVL owns and operates a Five Star Hotel under the brand “Country Inn & Suites by Radisson”, situated at Sahibabad, District Ghaziabad, Uttar Pradesh. The Hotel has a distinction of being the all-vegetarian hotel formally certified as a Five Star Hotel by the Hotel & Restaurant Approval and Classification Committee (HRACC), Ministry of Tourism, Government of India.

The Equity Shares of MVL are listed at BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

- B. Magnum Paperz Limited (“MPL” or “Resulting Company”)** is an existing company under the provisions of the Companies Act, 2013. MPL was incorporated on September 22, 2025 under the provisions of the Companies Act, 2013. The present registered office of MPL is situated at 18/41, Industrial Area, Site-4, Sahibabad, Ghaziabad-201010, Uttar Pradesh, India. The CIN of MPL is U17013UP2025PLC233401.

**Share Capital:**

The present paid-up share capital of MPL is INR 1,00,000 divided into 10,000 Equity Shares of INR 10 each.

**Business Activities:**

MPL was incorporated to carry on the business of manufacturing paper and paper products, and other related and ancillary activities.

As on date, the equity Shares of MPL are not listed on any recognized stock exchange in India. Further, as on date, MPL is a wholly owned subsidiary of MVL.

**III. About 3Dimension Capital Services Limited:**

3Dimension Capital Services Limited (hereinafter referred to as “3DCSL” or “Merchant Banker”) is a Public Limited Company incorporated under the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi and Haryana. Our Company is a Category 1 Merchant Banker registered with Securities and Exchange Board of India (SEBI), Mumbai with Registration No.: MB/INM000012528.



#### **IV. Scope and Purpose of the Opinion**

This Fairness Opinion is being issued in terms of the requirement of Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (as amended) [“**SBEI M&A Circular**”] read with Regulation 37 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”) and SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024 [“**SBEI Debt Circular**”]. The purpose of the opinion is to safeguard the interest of the shareholders of the Companies and this opinion shall be made available to the Boards of Directors and Shareholders of the Companies at the time of their respective meetings to pass the necessary resolutions for the approving and adopting the proposed scheme 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 Scheme.

**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.**

#### **V. Sources of the Information**

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

- Draft Proposed Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 among MVL, MPL & their respective Shareholders and Creditors.
- Report on share exchange ratio by Registered Valuer dated February 27, 2026 along with supporting workings.
- Audited financials of MVL for the years ended March 31, 2025 & management certified provisional financials of MVL for 09 months period ended December 31, 2025.
- Audited financials of MPL for the period ended December 31, 2025.
- Copy of MOA and AOA of MVL and MPL.



In addition to the above, we have also obtained explanations and other information as considered necessary by us for our exercise from the management of MVL.

#### **VI. Basis for arriving the Opinion**

We have reviewed the methodologies, justification and important factors considered by the Registered Valuer for the purpose of providing her recommendation on the Share Exchange Ratio for the purpose of proposed demerger and consequent capital reduction of MVL. A brief summary of some of the important factors considered by the Registered Valuer are as follows:

#### **With respect to share exchange ratio for Equity Shares:**

- A. As per the share exchange ratio report by Registered Valuer, the primary objectives of the present valuation exercise are to:
- determine the share exchange ratio for the purpose of the demerger of the Demerged Business of MVL into the MPL; and
  - determine the exchange ratio for the purpose of the reduction of share capital of MVL after giving effect to the demerger of Demerged Business.
- B. Upon the Scheme becoming effective, the Demerged Undertaking of MVL shall stand demerged from and vested into MPL as a going concern in accordance with this Scheme, and in consideration thereof, MPL shall issue and allot the New Shares to the shareholders of MVL. Simultaneously, the pre-Scheme equity share capital of MPL shall stand cancelled and extinguished. Upon completion of the issue and allotment of the New Shares by MPL, MVL shall reduce its issued, subscribed and paid-up share capital (detailed later).
- C. Under the Proposed Scheme, the management has proposed that upon the Scheme becoming effective, equity shareholding pattern of MPL shall mirror the equity shareholding pattern of MVL such that the same set of equity shareholders shall hold equity shares in MVL and MPL in identical proportion.
- D. MPL is a wholly owned subsidiary of MVL. In order to achieve mirror shareholding structure, the entire issued, subscribed and paid-up equity share capital of MPL, as existing immediately prior to the Effective Date shall, by operation of the Scheme, stand cancelled and extinguished without any further act, instrument or deed and without any consideration, cash or otherwise, being paid by MPL to any shareholder in respect of such cancellation.



- E. In view of the fact that, upon implementation of the Scheme, MVL and MPL shall have an identical set of equity shareholders holding equity shares in the same proportion, there is no change in the relative economic interest of the shareholders as a group. Accordingly, a conventional valuation exercise for determining a share exchange ratio based on relative enterprise or equity values is not required for the proposed demerger.
- F. The share exchange ratio has therefore been determined primarily to give effect to the mirror shareholding structure contemplated under the Scheme, taking into consideration factors such as the comparative size of MVL and MPL, the desired capital structures of the Companies, and the overall intent and commercial rationale of the Scheme.

**With respect to share exchange ratio for Compulsorily Redeemable Preference Shares (CRPS):**

- A. MVL has also issued Compulsorily Redeemable Preference Shares (**CRPS**), a substantial portion of which forms part of the Demerged Undertaking proposed to be transferred to the Resulting Company under the Scheme.
- B. Considering the nature of such CRPS, their linkage to the Demerged Undertaking and the overall structure of the Scheme, a corresponding exchange mechanism for the CRPS is considered appropriate in order to ensure consistency and economic alignment between MVL and MPL the Demerged Company and the Resulting Company, in the following manner:
- MPL shall issue and allot nine (9) New CRPS of face value of INR 100 each, credited as fully paid-up, to each of the CRPS holders of the Demerged Company for every ten (10) CRPS of face value of INR 100 each held by them in MVL, on the same terms and conditions.
  - For every ten (10) CRPS of face value INR 100 each held in MVL, CRPS holders shall thereafter hold one (1) CRPS of face value INR 100 each, credited as fully paid-up, and the balance nine (9) CRPS of face value INR 100 each shall stand cancelled and extinguished in the books of MVL.
- C. The terms and conditions of the CRPS to be issued by MPL and the CRPS remaining post-reduction of capital in the MVL shall remain the same.

- D. The total aggregate value and other terms and conditions of CRPS, in MVL and MPL, post implementation of the Proposed Scheme shall be exactly equal to and same as the pre-scheme value of CRPS issued in MVL.

**With respect to Reduction of Share Capital of MVL:**

- A. As part of the Proposed Scheme, there is a proposal for reduction of the post-demerger equity share capital and preference share capital of MVL.
- B. Upon the Scheme becoming effective and after the issue and allotment of new equity shares by MPL to the shareholders of MPL in accordance with the proposed demerger part of the Scheme, it is proposed by the management of the Companies that the MVL shall, for the purpose of giving effect to the Demerger and appropriately reflecting the same in its books of account, reduce its issued, subscribed and paid-up equity and preference share capital.
- C. The proposed reduction of capital is an integral and inseverable part of the Scheme and is intended to align the capital structure of MVL with the scale, net worth, and financial position of the Remaining Business post demerger.
- D. The reduction of share capital shall be on proportionate basis and all pre-Scheme equity and preference shareholders of MVL shall continue to remain equity shareholders and preference shareholders respectively of MVL, even after the Scheme becomes effective, in the same percentage and proportion; valuation for the purpose of aforesaid capital reduction is not applicable under the Asset Approach, Income Approach, or Market Approach.

**With respect to Fractional Entitlement:**

The treatment for the Fractional Entitlements arising out of the aforesaid exchange ratios for demerger and reduction of capital will be as per the applicable provisions, prescribed under the SBEI M&A Circular, as amended from time to time.

**Treatment of Non-Convertible Debentures (NCDs)**

- A. The NCDs forming part of the Demerged Undertaking shall, pursuant to this Scheme, be transferred to and vest in MPL on the same terms and conditions, including coupon rate, tenure, redemption price, quantum, ranking, nature of security, and all other rights and obligations attached thereto. As per the Proposed Scheme, it has been confirmed that the

- Proposed Scheme does not entail any change in the terms and conditions of the NCDs issued by MVL.
- B. MPL shall take all necessary steps to obtain listing and trading approvals for the NCDs on the Stock Exchanges on which such NCDs are listed as on the Effective Date. Upon receipt of such approvals, the NCDs shall continue to remain listed and freely tradable, thereby ensuring liquidity and exit options for the NCD holders.
- C. In view of the aforesaid facts, the transfer of NCDs from MVL to MPL will happen on the same terms and conditions and accordingly shall have no impact of the valuation and share exchange ratio.

**VII. Share Exchange Ratio recommended by Registered Valuer:**

As stated in the Share Exchange Ratio Report, Registered Valuer has recommended the following share exchange ratio:

**A. For the purpose of Proposed Demerger**

**For Equity Shares:**

*02 Equity Share of face value INR 10 each of MPL credited as fully paid up to the Equity Shareholders of MVL for 10 Equity Share of face value of INR 10/- each held in MVL.*

**For CRPS:**

*09 CRPS of face value INR 100 each of MPL credited as fully paid up to the CRPS holders of MVL for 10 CRPS of face value of INR 100/- each held in MVL.*

**B. Reduction of Capital**

**For Equity Shares:**

*03 Equity Share of face value INR 10 each of MVL credited as fully paid up to the Equity Shareholders of MVL for 10 Equity Share of face value of INR 10/- each held in MVL prior to Reduction of Capital.*

In other words, every ten (10) equity shares of face value INR 10 each held in MVL as on the Record Date, the equity shareholders of MVL shall thereafter hold three (3) equity shares of face value INR 10 each, credited as fully paid-up, and the balance seven (7) equity shares of face value INR 10 each shall stand cancelled and extinguished.

**For CRPS:**

*01 CRPS of face value INR 100 each of MVL credited as fully paid up to the CRPS holders of MVL for 10 CRPS of face value of INR 100/- each held in MVL prior to Reduction of Capital.*

In other words, for every ten (10) CRPS of face value INR 100 each held in MVL as on the Record Date, CRPS holders shall thereafter hold one (1) CRPS of face value INR 100 each, credited as fully paid-up, and the balance nine (9) CRPS of face value INR 100 each shall stand cancelled and extinguished in the books of MVL.

**VIII. Conclusion and Opinion:**

Based on the information and data made available to us including the Share Exchange Ratio Report by Registered Valuer and the Proposed Scheme of Arrangement and subject to disclaimers as mentioned in this report, **we are of the opinion that, the Share exchange ratio as suggested by Registered Valuer (which are detailed under the head “Share Exchange Ratio recommended by Registered Valuer”) is fair and reasonable.**

**IX. Disclaimer:**

Our scope of work did not include the following:-

- An audit of the financial statements of the Companies.
- Carrying out a market survey / financial feasibility for the Business of the Companies.
- Financial and Legal due diligence of Companies.

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 MVL.

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 our Opinion because of events or transactions occurring subsequent to the date of this report.

We understand that the management of MVL 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 MVL.

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

The management of Companies 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 3DCSL, 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. Further, Merchant Banker liability towards MVL will be restricted to total fees received by the Merchant Banker with respect to the Assignment.

Thanking You

For **3Dimension Capital Services Limited**



**Rhydham Kapoor**

**Executive Vice President**