



Intelligent Money Managers Private Limited

Category I Merchant Banker
SEBI Regn No. INM000012169

CIN: U65923WB2010PTC156220
Website: www.imoney.co.in

Fairness Opinion

on the

Scheme of Amalgamation of

Glass Equipment (India) Limited
(Transferor Company)

and

Quality Minerals Limited
(Transferor Company)

with

Hindusthan National Glass & Industries Limited
(Transferee Company)

and their respective shareholders and creditors under
Section 391 and 394 of the Companies Act, 1956

The Board of Directors
Hindusthan National Glass & Industries Limited
2 Red Cross Place, Kolkata 700 001

The Board of Directors
Glass Equipment (India) Limited
2 Red Cross Place, Kolkata 700 001

The Board of Directors
Quality Minerals Limited
2 Red Cross Place, Kolkata 700 001

Dear Sirs,

Re: 'Fairness Opinion' on the Scheme of Amalgamation of Glass Equipment (India) Limited and Quality Minerals Limited, both being wholly owned subsidiaries with their holding company, Hindusthan National Glass & Industries Limited.

We, Intelligent Money Managers Private Limited (hereinafter "IMMPL"), refer to our earlier discussions on the captioned matter of providing Fairness Opinion Certificate to yourselves in connection with the Scheme of Amalgamation of Glass Equipment (India) Limited (hereinafter "Transferor Company") and



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For Hindusthan National Glass & Industries Ltd.


Company Secretary

Quality Minerals Limited (hereinafter "Transferor Company"), both being wholly owned subsidiaries with their holding company, Hindusthan National Glass & Industries Limited (hereinafter "Transferee Company").

1. PURPOSE

This Fairness Opinion Certificate has been issued to comply with Clause 24(h) of the Listing Agreement and SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013 read with Circular No. CIR/CFD/DIL/8/2013 dated 21st May, 2013.

2. MERCHANT BANKER: INTELLIGENT MONEY MANAGERS PRIVATE LIMITED (IMMPL)

IMMPL is a Category I Merchant Banker bearing SEBI Registration Number INM000012169. Its Registered Office is situated at 27, Brabourne Road, 5th Floor, Room No. 501, Kolkata 700 001

3. RATIONALE OF THE SCHEME

a. The Scheme of Amalgamation provides for the amalgamation of Glass Equipment (India) Limited (Transferor Company) and Quality Minerals Limited (Transferor Company) with Hindusthan National Glass & Industries Limited (Transferee Company) pursuant to Sections 391 to 394 of the Companies Act, 1956.

b. As on 31st March, 2014, entire issued, subscribed and paid up share capital of both the Transferor Companies are held by the Transferee Company and its nominees. The holding company (Transferee Company) would like to integrate and consolidate its wholly owned subsidiaries. The circumstances that necessitate or justify the proposed Scheme of Amalgamation for its benefits are summarized as under:

- a) The scheme envisages the amalgamation of Glass Equipment (India) Limited and Quality Minerals Limited into Hindusthan National Glass & Industries Limited, resulting in consolidation of the business of the three companies in one entity and strengthening the position of the merged entity, by enabling it to harness and optimize the synergy of business, which is in the best interests of all the companies and their respective shareholders. It is notable that business vertical of one Transferor Company and the Transferee Company is similar. The proposed amalgamation aims to achieve consolidation, integration and thereby greater financial strength which are ultimately aimed at maximizing shareholder value. The merged entity is likely to achieve higher ability to garner funds for the long term and consequently achieve stable long-term financial returns for the merged entity. Besides achieving increased financial strength, the merged entity can reap benefits of cost reduction and efficiencies of operation.
- b) The Amalgamation will provide opportunity for pooling of managerial, technical and financial resources helping the merged entity achieve competitiveness.



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For Hindusthan National Glass & Industries Ltd.

[Signature]
Company Secretary

30

- c) The Amalgamation will enable exploring economy of scale and reduction in various costs and optimal utilization of resources.
- d) The Amalgamation will result in significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the transferor companies and the transferee company.

4. PRE AND POST SHAREHOLDING PATTERN OF THE TRANSFEE COMPANY AS ON APRIL 1, 2014 (APPOINTED DATE)

Since both the Transferor Companies are wholly owned subsidiaries of the Transferee Company, no new shares are to be allotted by the Transferee Company hence leading to no change in the shareholding pattern of the Transferee Company as a result of Amalgamation. Shares of the Transferor Companies will be cancelled.

Particulars	Pre		Post	
	No. of Shares	Percentage Holdings	No. of Shares	Percentage Holdings
Promoter	61,123,840	69.98	61,123,840	69.98
Public	26,214,725	30.02	26,214,725	30.02
Total	87,338,565	100.00	87,338,565	100.00

5. SOURCES OF INFORMATION

- A Copy of Memorandum and Articles of Association of both the transferor companies and transferee company;
- A certified true copy of the resolution passed by the Board of Directors of the Companies approving the proposed draft Scheme of Amalgamation;
- A certified true copy of report from the Audit Committee of the Transferee Company recommending the draft Scheme of Amalgamation, inter alia, the valuation report obtained from independent Chartered Accountant;
- A certified true copy of draft scheme of Amalgamation;
- Financial Statements of both the transferor companies and transferee company for the last three as at 31st March 2012, 31st March, 2013 and 31st March, 2014;
- Pre and Post Amalgamation Shareholding pattern of the Transferee Company;
- Valuation Report from Independent Chartered Accountant.

6. FAIRNESS OPINION

With reference to the above and based on information and explanation given to us by the management of Hindusthan National Glass & Industries Limited and perusal of the draft scheme of Amalgamation, we understand that since, both the transferor companies are wholly owned subsidiaries of the Transferee company, the shares of Glass Equipment (India) Limited and Quality



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[Signature]
Company Secretary

(31)

Minerals Limited held by Hindusthan National Glass & Industries Limited shall stand cancelled with no issuance of shares. Hence, there is no change in the shareholding pattern of the Hindusthan National Glass & Industries Limited consequent to the proposed Amalgamation. Valuation report obtained by Hindusthan National Glass & Industries Limited from M/s Bihani Rashmi & Co, an Independent Chartered Accountant, states that no valuation process is applicable for the proposed Scheme of Amalgamation owing to the aforesaid reason.

Based on the above information we are of opinion that the proposed Amalgamation of both the Transferor Companies with Transferee Company as per the scheme of the Amalgamation is fair and reasonable to the equity shareholders of Hindusthan National Glass & Industries Limited.

7. LIMITATIONS OF THE FAIRNESS OPINION

This Fairness Opinion does not include the following and / or the following are the limitations of this Fairness Opinion:

- > Audit of the financial statements of the Transferor or Transferee Companies;
- > Legal or compliance due diligence of the Transferor or Transferee Companies;
- > Evaluation of adequacy or inadequacy of regulatory compliance requirements by the Transferor or Transferee Companies;
- > Carrying out market survey / financial feasibility;
- > Our fairness opinion is based on the information made available to us by the management of Transferor and Transferee Companies. Any subsequent changes to the financial and other information provided to us, may affect the result of the value analysis set out in this report;
- > We have not carried out detailed tests in the nature of audit to establish the accuracy of the financial 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 an investment advice, specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction;
- > In rendering this opinion, we have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly we does not assume any responsibility in respect thereof. Further, we have assumed that the Scheme of Amalgamation will be implemented on the terms and conditions as set out in the draft Scheme of Amalgamation, without any material changes to or waiver of its terms and conditions;



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Company Secretary

32

> The Transferee and Transferor Companies are yet to obtain in-principle approval of their secured lenders.

We hereby declare that we do not have any direct or indirect material pecuniary relationship with the Transferor or Transferee Companies, except to the extent to professional fees agreed amongst us for this assignment of Fairness Opinion.

This report is issued on the understanding that it is solely for the use of the persons to whom it is addressed and for the purpose described above. We will not accept any liability or responsibility to any person other than those to whom it is addressed. The report must not be made available or copied in whole or in part to any other person without our express written permission.

Our liability direct or indirect, whether arising in contract, tort or otherwise for any loss or damage arising out of or in connection with rendering this fairness opinion shall be limited to the amount of fees received / receivable for rendering this opinion.

For & on behalf of
Intelligent Money Manager Private Limited


Siddhartha Murarka
Director



Date: 15/05/2014

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For Hindusthan National Glass & Industries Ltd.


Company Secretary