



To,  
The Board of Directors  
Venmax Drugs and Pharmaceuticals Limited  
Sy. No. 115, Brig Sayeed Road, Hanumanji Colony,  
Bowenpally, Picket, Hyderabad – 500009, India.

**Re: Recommendation of Fair Share Exchange Ratio for the purpose of the proposed merger of Hatri Pharma Private Limited (HPPL) with Venmax Drugs and Pharmaceuticals Limited (VDPL).**

Dear Sir/Madam,

This is with reference to our discussions held, whereby Venmax Drugs and Pharmaceuticals Limited (hereinafter referred to as “Venmax” or “VDPL”) has engaged Finshore Management Services Limited, SEBI Registered (Cat-I) Merchant Banker (hereinafter referred to as “FMSL”) to recommend fair share exchange ratio for the proposed merger.

**BRIEF BACKGROUND:**

**Venmax Drugs and Pharmaceuticals Limited:**

Venmax Drugs and Pharmaceuticals Limited was incorporated on 28/09/1988 under the provisions of Companies Act, 1956 presently having its registered office at Sy. No. 115, Brig Sayeed Road, Hanumanji Colony, Bowenpally, Picket, Hyderabad – 500009, India. Currently the Company is engaged in the trading business of finished formulation, drug intermediates and Fine chemicals.

**Capital Structure of VDPL as on September 30, 2025:**

Particulars	Amount in INR Lakhs
Issued, Subscribed and Paid-up Share Capital 80,07,930 Equity shares of INR 10/- each	800.79

**Hatri Pharma Private Limited:**

Hatri Pharma Private Limited (hereinafter referred to as “Hatri” or “HPPL”) was incorporated under the Companies Act, 1956 with CIN U24232AP2010PTC116314 on July 21, 2010. The Registered Office of HPPL is situated at G 3 Sri Balaji Avenue Kavery Nagar Opp St Joseph Church Kondaya Palem, Nellore - 524003, Andhra Pradesh, India. The Company is engaged in the manufacture of intermediates and fine chemicals.

**Capital Structure of HPPL as on September 30, 2025:**

Particulars	Amount in INR Lakhs
Issued, Subscribed and Paid-up Share Capital 2,37,30,000 shares of INR 10/- each	2,373.00



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### SCOPE & PURPOSE

We have been given to understand that the management of the companies (i.e., VDPL, & HPPL) are exploring the possibility of consolidating their business into a single entity by merging HPPL into VDPL (the proposed "Merger") on a going concern basis through a scheme of amalgamation under the provisions of Sections 230 to 232 of the Companies Act, 2013 (the "Scheme").

The management of VDPL has requested Finshore Management Services Limited, SEBI Registered (Cat-I) Merchant Banker to provide fairness opinion on the Share Exchange Ratio for the proposed merger approved by the Board of Directors vide its meeting dated November 12, 2025.

### VALUATION APPROACH

We have relied on the following information for the purpose of arriving at the fairness opinion on the share Exchange ratio arrived at by Mr. Gopavarapu Murali Reddy, FCA, Registered Valuer (S & FA) vide its Valuation Report dated 12<sup>th</sup> November, 2025 for valuation of shares of Venmax Drugs and Pharmaceuticals Limited and Hatri Pharma Private Limited with a view to recommending a fair equity share exchange ratio of the equity shares of HPPL for the equity shares of VDPL in the event of proposed merger as per the guidelines and other applicable provisions of the Companies Act 2013, wherein the value of the shares of the Company is arrived at as follows –

Particulars	Value per Share (Amount in INR)
Venmax Drugs and Pharmaceuticals Limited	27.95
Hatri Pharma Private Limited	27.93

### RECOMMENDATION OF SHARE EXCHANGE RATIO

In light of the above and on consideration of all the relevant factors and circumstances, in our opinion, share exchange ratio of 1:1 (i.e. 1 Equity Share of VDPL for every 1 share of HPPL) for the proposed merger is fair.

Summary-

*"The exchange ratio of equity shares of VDPL to the existing shareholders of HPPL would be allotted in the ratio of 1 (One) equity shares in VDPL of Rs.10 each fully paid up for 1 (One) equity share of HPPL of Rs. 10/-each fully paid up."*

Yours faithfully,

For Finshore Management Services Limited  
(SEBI Regd. CAT-I Merchant Banker, Regn. No.: INM000012185)

Date: 12 November 2025  
Place: Kolkata

  
S. Ramakrishna Iyengar  
Director



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#### **ASSUMPTIONS, EXCLUSIONS, LIMITATIONS & DISCLAIMERS**

1. Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than Valuation Date for the purpose of this Report and as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
2. A valuation or determination of Share Exchange Ratio of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. This Report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the Share Exchange ratio for the Proposed transaction by way of swap of shares.
3. We have no responsibility to update the Report for any events and circumstances occurring after the date of the Report. Our valuation analysis was completed on a date subsequent to the Valuation Date and accordingly we have taken into account such valuation parameters and over such period, as we considered appropriate and relevant, up to a date close to Valuation Date and we have also given effect to the material events in the companies post valuation date upto the date of this report restricted to the information made available to us by the Management.
4. This Report is intended only for the sole use and information of the Boards of the Companies and only in connection with the Proposed transaction.
5. This Report and the information contained herein are absolutely confidential and is prepared for the stated purposes in this report. This Report should not be copied, disclosed, circulated, quoted or referred to either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. We hereby consent to such disclosure of this Report, on the basis that we owe responsibility only to the Boards of the Companies that have engaged us, under the terms of our engagement, and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to the shareholders of the Companies or any other party, in connection with this Report. The results of our valuation analysis and our Report cannot be used or relied by the Companies for any other purpose or by any other party for any purpose whatsoever.
6. We are not responsible to any other person / party for any decision of such person / party based on this report. Any person / party intending to provide finance / invest in the shares / business of the Companies / their holding companies / subsidiaries / associates / investee companies / other group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person / party (other than the Companies) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to the Valuer.





7. For the purpose of providing fairness opinion on the Share Exchange Ratio, we have relied on the Valuation Report dated 12<sup>th</sup> November, 2025 provided by Mr. Gopavarapu Murali Reddy, FCA, Registered Valuer (S & FA) and financial and other information provided to us by the Management of the companies and the information that was publicly available and formed substantial basis for this Report which we believe to be reliable and conclusions are dependent on such information being complete and accurate in all material aspects. While information obtained from public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our scope of work refrains us to accept responsibility for the accuracy and completeness of the Valuation report and financial and other information provided to us by the Managements. Our conclusion on value assumes that the assets and liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the Report date.
8. In accordance with the terms of engagement letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical and projected financial information, if any, provided to us regarding the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the historical financials / financial statements and projections. The assignment did not involve us to conduct the financial, legal, regulatory, tax, accounting, actuarial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Companies. Also, with respect to explanations and information sought from the Managements, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt.
9. Our conclusion is based on the assumptions and information given to us by/on behalf of the Companies. The Management of the Companies has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Management and their impact on the report.
10. It should be noted that we have examined the Share Exchange Ratio for the Proposed transaction and not examined any other matter including economic rationale for the Proposed Transaction per se or accounting, legal or tax matters involved in the Proposed Transaction.
11. The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited / unaudited balance sheets of the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any.
12. Our Report is not nor should it be construed as our opining or certifying the compliance of the Proposed Transaction with the provisions of any law / standards including companies, foreign exchange regulatory, securities market, accounting and taxation (including transfer pricing) laws / standards or as regards any legal, accounting or taxation implications or issues arising from such Proposed Transaction.



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13. Our Report is not and nor should it be construed as our recommendation on the Proposed Transaction or anything consequential thereto / resulting therefrom. Our scope of work is limited to expression of our view on the Share Exchange Ratio. This Report does not address the relative merits of the Proposed Transaction as compared with any other alternatives or whether or not such alternatives could be achieved or are available. Any decision by the Companies / their shareholders / creditors regarding whether or not to proceed with the Proposed Transaction shall rest solely with them. We express no opinion or recommendation as to how the shareholders / creditors of the Companies should vote at any shareholders' / creditors' meeting(s) to be held in connection with the Proposed Transaction. This Report does not in any manner address, opine on or recommend the prices at which the securities of the Companies could or should transact at following the announcement / consummation of the Proposed Transaction. Our report and the opinion / valuation analysis contained herein is not nor should it be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities or as providing management services or carrying out management functions. It is understood that this analysis does not represent a fairness opinion.
14. We express no opinion on the achievability of the forecasts, if any, relating to the Companies given to us by the Management.
15. We have not conducted or provided an analysis or prepared a model for any individual assets / liabilities and have wholly relied on information provided to us by the Management in that regard.
16. The fee for our Report is not contingent upon the results reported.
17. The Companies and their representatives warranted to us that the information as supplied to us is complete & accurate. Financial results reflect the result of operations and financial condition in accordance with applicable Accounting Standards. Information &/or explanations, as provided by the Management or other key management personnel of the Companies has been accepted as correct without further verification and we express no opinion on that information.
18. We have assumed that the Management & other key management personnel of the Companies have furnished to us all the data, documents & information, which they are aware of concerning the financial statements and the respective liabilities, which may have an impact on our report. If there were any omissions, inaccuracies or misrepresentations of the information and financial projections as provided by the Management or other key management personnel of the Companies, this may have a material effect on our findings. It is expressly understood and agreed that we shall not in any respect be responsible for the accuracy or completeness of, or have any obligation to verify, any of the information made available to us including, without limitation, prospective financial information. Consequently, the Companies shall accept full responsibility for the reasonability and reliability of this information & data and that our valuation exercise will be subject to this limitation.
19. Valuation work, by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. Given the same set of facts and using the same assumptions, expert opinion may differ due to separate judgments & decisions, which have to be made. The fair value of Equity shares of the companies has been derived in accordance with Internationally accepted valuation methodology.



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20. This report must be used only for the specific engagement purposes and must not be copied, disclosed, circulated or referred to in correspondence or discussion with any person. This report is confidential to the Companies and it is given on the express undertaking that neither the valuation nor its contents may be referred to or be quoted in any registration statement, prospectus, offering memorandum, loan agreement, or other agreement or document given to third parties without our prior written consent, in writing, together with, where required by the Companies, procuring a "Hold-Harmless" Letter in favour of the Valuer from such third party. We retain the right to deny permission of the same. In no event, regardless of whether consent has been provided, we shall assume no responsibility to any third party to which the advice or this report is disclosed or otherwise made available. Possession of this report, or a copy thereof, does not carry with it the right of publication of all or any part of it, nor may it be used for any purpose by anyone, without the previous written consent of us and, in any event, only with proper attribution. Further, Companies shall neither reproduce all or any part of this report on any website or in any public document or statement, nor shall it or its associate or group concern use our name on any website or in any public document or statement, without obtaining the prior written consent from us.
21. Whilst all reasonable care has been taken to ensure that the facts stated in the report are accurate and the opinion given is fair and reasonable, neither ourselves, nor any of our Directors, Officers or employees shall in any way be responsible for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of completeness, authenticity or accuracy of such statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report. We are neither liable to any third party nor liable for any loss, damage, cost or expense arising in any way from fraudulent acts, misrepresentations or willful default on the part of the Companies, their management, directors, employees or agents in relation to the issue of this report.
22. We shall not be called upon to prove or defend the valuation exercise in any forum and we are not required to give testimony in Court/Tribunal, etc., or be in attendance during any hearings or depositions, or give explanation to the auditors with reference to the value of the Companies, if required, unless previous and separate arrangements for the same have been made with us.
23. Our conclusions of the value assume that the assets & liabilities of the Companies reflected in the latest balance sheet remain intact as of the Valuation Report date. We have no obligation to update this report because of events or transactions including changes in assumptions occurring subsequent to the date of this report. However, we reserve the right to amend or replace the Report at any time in the event of any material change in the facts presented to us.
24. We have given opportunity to the management of the companies to review our report and they have given their consent that the facts mentioned in the report are true and correct.

