

Date: September 12, 2019

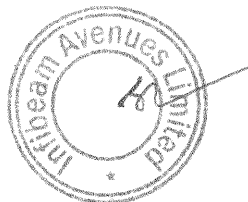
To,

<p>The Board of Directors Infibeam Avenues Limited 28th Floor, Gift Two Building, Block No. 56, Road-5C, Zone-5, Gift City, Gandhinagar, Gujarat 382355</p>	<p>The Board of Directors Suvidhaa Infoserve Private Limited Unit No. 02, 28th Floor, Gift Two Building, Block No. 56, Road-5C, Zone-5, Gift City, Gandhinagar, Gujarat 382355</p>
<p>The Board of Directors DRC Systems India Private Limited 24th Floor, Gift Two Building, Block No. 56, Road-5C, Zone-5, Gift City, Gandhinagar, Gujarat 382355</p>	

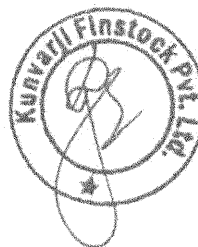
Dear Sir,

Sub:-

- Fairness Opinion on the recommendation of fair equity share entitlement ratio for the proposed demerger of the SME E-Commerce Services Undertaking of Infibeam Avenues Limited into Suvidhaa Infoserve Private Limited
- Fairness Opinion on the recommendation of fair equity share entitlement ratio for the proposed demerger of the E-Commerce Business Undertaking of NSI Infinium Global Private Limited into Suvidhaa Infoserve Private Limited
- Fairness Opinion Recommendation of fair equity share entitlement ratio for the proposed demerger of the Themepark & Event Software Undertaking of Infibeam Avenues Limited into DRC Systems India Private Limited.



I



PRIVATE & CONFIDENTIAL

www.kunvarji.com**Kunvarji Finstock Pvt. Ltd.**

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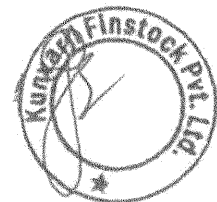
This has reference to our Engagement Letter dated September 9, 2019 with you in the matter of providing Fairness Opinion on the recommendation of the fair equity share entitlement ratio for the proposed demerger of;

- SME E-Commerce Services Undertaking of Infibeam Avenues Limited (**hereinafter referred to 'IAL'**) into Suvidhaa Infoserve Private Limited (**hereinafter referred to 'SIPL'**),
- E-Commerce Business Undertaking of NSI Infinium Global Private Limited (**hereinafter referred to 'NSI'**) into Suvidhaa Infoserve Private Limited,
- Themepark & Event Software Undertaking of Infibeam Avenues Limited into DRC Systems India Private Limited (hereinafter referred to 'DRCPL')

IAL and NSI are hereinafter referred to as the 'Demerging Companies'. SIPL and DRCPL are hereinafter referred to as the 'Resulting Companies' (hereinafter individually / collectively referred to as the 'Client/(s)' or the 'Company/(ies)').

We have prepared Fairness Opinion report based on our Independent Analysis of the information received from the Management and had a detailed review of the Valuation Report of Jigar P. Shah & Associates, Chartered Accountants and Icon Valuation LLP, Registered Valuer ("Valuer"), subject to the disclaimers and limitations detailed herein below. We believe that the Equity Share Entitlement Ratio


- **197 (One Hundred and Ninety Seven) equity shares of SIPL of INR 1/- fully paid up for every 1,500 (One Thousand Five Hundred) equity shares of IAL of INR 1/- each fully paid up for the demerger of the SME E-Commerce Services Undertaking of IAL into SIPL.**
- **110,229 (One Lakh Ten Thousand Two Hundred and Twenty Nine) equity shares of SIPL of INR 1/- fully paid up for every 20 (Twenty) equity shares of NSI of INR 10/- each fully paid up for the demerger of the E-Commerce Business Undertaking of NSI into SIPL.**



- **1 (One) equity share of DRCPL of INR 10/- fully paid up for every 412 (Four Hundred and Twelve) equity shares of IAL of INR 1/- each fully paid up for the demerger of the Themepark & Event Software Undertaking of IAL into DRCPL**

Please find enclosed our narrative Fairness Opinion Report on the valuation carried out by Valuer.

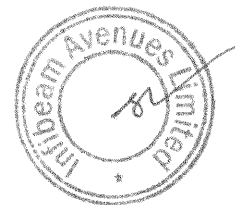
Thanking You,
For, Kunvarji Finstock Private Limited



Mr. Himanjal Brahmbhatt
Director (DIN: 00049679)

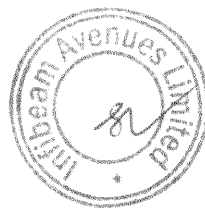


Date: September 12, 2019
Place: Ahmedabad



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1. BACKGROUND:

Infibeam Avenues Limited, is engaged in business of digital payments, e-commerce services, software business and e-commerce technology platforms and provides a comprehensive suite of web services spanning digital payment solutions, data centre infrastructure, software platforms etc.

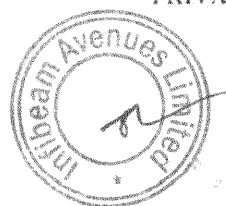
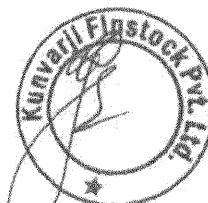
The equity shares of IAL are listed on The National Stock Exchange of India Limited and The BSE Limited.

The SME E-Commerce Services Undertaking of IAL is engaged in providing various E-Commerce services to small and medium enterprises.

The Themepark & Event Software Undertaking of IAL is engaged in offering online platform solutions to themeparks and amusement parks in relation to theme park package bookings, travel insurance, and event / show ticketing. The customers of the Themepark & Event Software Undertaking primarily comprise of amusement parks and resorts.

Suvidhaa Infoserve Private Limited, is engaged in the business of providing facility to make payments for services like utility bill payment, renewal insurance premium collection, telecom, mobile, DTH recharges besides travel ticketing (rail, air and bus), domestic remittance services, merchant acquiring services etc. SIPL also leverages on its network to provide advertising solutions to business partners.

DRC Systems India Private Limited, is engaged in the software business and renders services across e-commerce, content management systems, entertainment events management systems, payment, processing systems, mobile applications, learning management systems as well as ERP for both front- end user interface as well as back-end. Majority's of DRCPL's customers are located in USA.



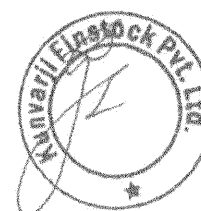
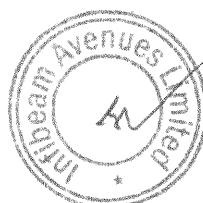
NSI and E-Commerce Business Undertaking, is engaged in e-commerce business in India. We have been informed that as of current date NSI primarily only has the E-Commerce Business Undertaking and that remaining business if any of NSI is not a material portion of NSI.

2. USE OF THIS REPORT

- 2.1 As stated hereinabove, in order to comply with the requirements of the regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and SEBI Circular CFD/DIL3/CIR/2017/21, IAL has appointed Kunvarji to issue a fairness opinion on the report issued by Icon Valuation LLP, Registered Valuer and Jigar P. Shah & Associates, Chartered Accountants.
- 2.2 Our scope of work only includes forming an opinion on the fairness of the recommendation given by the Valuer on the exchange ratio arrived at for the purpose of the proposed Composite Scheme of Arrangement and not on the fairness or economic rationale of the Demerger per se.
- 2.3 Our report is prepared solely for the purpose outlined hereinabove. The distribution of this report shall hence be restricted to the Company, its Shareholders, SEBI, Stock Exchange and such other regulatory bodies required to give the effect to Demerger, including but not limited to ROC, NCLT. This report shall not be relied upon by any other person for any other purpose whatsoever and the Company agrees to this fact.
- 2.4 This report is subject to the scope, assumptions, limitations and disclaimers detailed above. As such the report is to be ready in totality, not in parts and in conjunction with the relevant documents referred to herein.

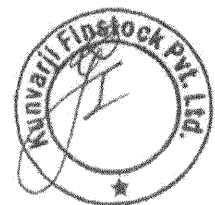
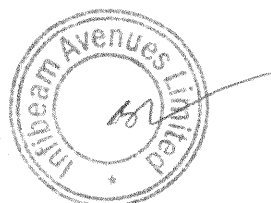
3. DISCLAIMERS AND LIMITATIONS

- 3.1. This Fairness Opinion Report is prepared by 'Kunvarji Finstock Private Limited' under an engagement from IAL on the basis of information, documents, papers, and explanations given by the management, officers and staff of IAL to Kunvarji.
- 3.2. In preparing the Fairness Opinion Report, Kunvarji has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information



and financial data provided by IAL. Kunvarji has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information.

- 3.3. Our work does not constitute an audit or certification or due diligence of the past financials of IAL, SIPL & DRCPL or any of the Resulting Companies used in the study and we have relied upon the information provided to us by IAL as regards such working results.
- 3.4. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the companies. No investigation of the companies claim to the title of assets or property owned by the companies has been made for the purpose of the fairness opinion. With regard to the companies claim we have relied solely on representation, whether verbal or otherwise made, by the management to us for the purpose of this report.
- 3.5. Publicly available information deemed relevant for the purpose of the analysis contained in this report has also been used. Accordingly, this report is based on our interpretation of the information provided by IAL or any of its affiliates as well as its representatives and advisors, to date.
- 3.6. Kunvarji shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly on account of the use of or reliance on the information set out herein in this report.
- 3.7. Kunvarji has not provided any accounting, tax or legal advice to IAL, SIPL & DRCPL or any of the Resulting Companies or any other company involved in the transaction. This Fairness Opinion Report should not be construed as investment advice or any form of recommendation either for making or divesting investment in any of the companies involved in the transaction.
- 3.8. This Opinion is furnished on a strictly confidential basis. Neither this Opinion nor the information contained herein may be reproduced or passed to any person or used for any purpose other than stated above or as may be required under applicable laws and regulation.
- 3.9. This Report, its contents and the results herein (i) are specific to the purpose of report agreed as per the terms of our engagement and (ii) are specific to the date of this report. This report is necessarily based on the prevailing financial, economic and other conditions in general

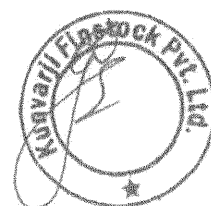
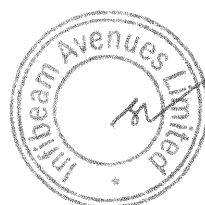


and industry trends in particular as in effect on, and the written and oral information made available to us till the date of this report. This report is issued on the understanding that the companies have drawn our attention to all the matters, which they are aware of considering the financial position of the Companies, their businesses, and any other matter, which may have an impact on our opinion for the proposed 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 of the proposed Scheme. Events occurring after this date may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

4. SOURCES OF INFORMATION

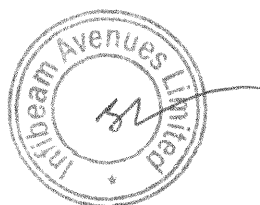
We have relied on the following information made available to us by IAL for the purpose of this report:

- 4.1 Management certified Composite Scheme of Arrangement for the Proposed Demergers as may be submitted with Stock Exchange.
- 4.2 Valuation Report of Icon Valuation LLP, Registered Valuer, dated September 12, 2019 and Jigar P. Shah & Associates, Chartered Accountants dated September 12, 2019.
- 4.3 Audited Financial Statements of IAL for the Financial Year ended on March 31, 2019, March 31, 2018 and March 31, 2017.
- 4.4 Audited Financial Statements of SIPL for the Financial Year ended on March 31, 2019, March 31, 2018 and March 31, 2017.
- 4.5 Audited Financial Statements of DRCPL for the Financial Year ended on March 31, 2019 March 31, 2018 and March 31, 2017.
- 4.6 Audited Financial Statements of NSI for the Financial Year ended on March 31, 2019 March 31, 2018 and March 31, 2017.
- 4.7 Details of Market Price and trading volume of Equity Shares of IAL on BSE & NSE.
- 4.8 Shareholding patterns of the Companies as at the Valuation Date.
- 4.9 Management Discussions
- 4.10 Such other information and explanations as we required and which have been provided by the management of IAL, which were considered relevant for the purpose the Fairness Opinion.



5. VALUER'S RECOMMENDATION

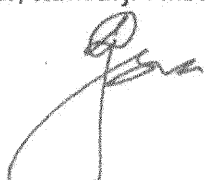
- 5.1. The fair basis of Demerger of the Companies has been determined after taking into consideration all the factors and methodologies as mentioned by the Valuer in its valuation report, dated September 12, 2019. Their scope of work was to take out the value of equity shares of the Companies to facilitate the determination of a fair equity share entitlement ratio.
- 5.2. The equity share entitlement ratio has been arrived on the basis of valuation of the equity shares of the Companies based on methodology as explained in the valuation report of Valuer, dated September 12, 2019, and various qualitative factors relevant to each Company and the business dynamics as well as growth potential of the businesses of the companies, and also having regard to information base, management representations and perceptions, key underlying assumptions and limitations.
- 5.3. In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this report, in our opinion, the fair equity share entitlement ratios for the Proposed Demerger of the Demerging Businesses into the Resulting Companies as at the Valuation Date of September 12, 2019 would be:
- **197 (One Hundred and Ninety Seven) equity shares of SIPL of INR 1/- fully paid up for every 1,500 (One Thousand Five Hundred) equity shares of IAL of INR 1/- each fully paid up for the demerger of the SME E-Commerce Services Undertaking of IAL into SIPL**
 - **110,229 (One Lakh Ten Thousand Two Hundred and Twenty Nine) equity shares of SIPL of INR 1/- fully paid up for every 20 (Twenty) equity shares of NSI of INR 10/- each fully paid up for the demerger of the E-Commerce Business Undertaking of NSI into SIPL**
 - **1 (One) equity share of DRCPL of INR 10/- fully paid up for every 412 (Four Hundred and Twelve) equity shares of IAL of INR 1/- each fully paid up for the demerger of the Themepark & Event Software Undertaking of IAL into DRCPL.**



6 CONCLUSION

- 6.1. With reference to the above and based on the information provided to us by the management of the entities forming part of the Composite Scheme of Arrangement as well as taking into consideration the Scheme we understand that the present Scheme proposed demerger of;
- SME E-Commerce Services Undertaking of Infibeam Avenues Limited into Suvidhaa Infoserve Private Limited,
 - E-Commerce Business Undertaking of NSI Infinium Global Private Limited into Suvidhaa Infoserve Private Limited,
 - Themepark & Event Software Undertaking of Infibeam Avenues Limited into DRC Systems India Private Limited.
- 6.2. The fairness opinion has been prepared based on the Valuer's report and our analysis of the various factors relevant to the Companies, having regard to the information submitted, management representations, key underlying assumptions and limitations.
- 6.3. In the light of the foregoing, based on our independent analysis of the information received and a detailed review of the Valuation Report of Jigar P. Shah & Associates, Chartered Accountants and Icon Valuation LLP, Registered Valuer, as well as subject to the disclaimers and limitations detailed hereinabove, we believe that the proposed equity share entitlement ratio as recommended by Jigar P. Shah & Associates, Chartered Accountants and Icon Valuation LLP, Registered Valuer for the proposed Composite Scheme of Arrangement is fair and reasonable.

Thanking You,
For, Kunvarji Finstock Private Limited


Mr. Himanjal Brahmbhatt
Director (DIN: 00049679)



Date: September 12, 2019
Place: Ahmedabad

