

Report on Valuation
of
Fair Value of Equity Shares
of
M/s. Rexnord Electronics and Controls
Limited

Registered Valuer:

Manish Kumar Bhagat

Registered Valuer (IBBI)

103-104, Panchdeep Complex,

Mithakhali Six Road, Navrangpura, Ahmedabad

IBBI Reg. No.: IBBI/RV/06/2020/13484

ICAI RVO Reg. No.: ICAIRVO/06/RV-P00107/2020-2021

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Executive Summary

M/S. REXNORD ELECTRONICS AND CONTROLS LIMITED (CIN: L31200MH1988PLC047946) ('RECL'/'Company') is a Public Limited Company incorporated on 4th July, 1988 having registered office at 92D, Government Industrial Estate, Charkop, Kandivali (W), Mumbai, Maharashtra, 400067, India. It is categorised as Company limited by shares, a non govt. Company and is registered with Registrar of Companies, Mumbai. Its authorized share capital is **Rs. 15,00,00,000 (Rupees Fifteen Crores Only)** and paid-up share capital is **Rs. 11,16,00,000 (Rupees Eleven Crores and Sixteen Lakhs Only)**. The company is listed on BSE.

M/s. REXNORD ELECTRONICS AND CONTROLS LIMITED has following Directors/Managing Director/CFO/CEO/Company Secretary:

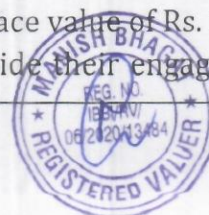
Sr. No.	Name	DIN	Designation
1.	Kishorechand Talwar	00351751	Managing Director
2.	Nainy Kunal Tanna	00351762	Whole Time Director
3.	Ayyaswami Sundaram	02997721	Non-Executive Independent Director
4.	Sriram Shrinivasan	08129642	Non-Executive Independent Director
5.	Krishnamoorthy Krishnan	08129657	Non-Executive Independent Director
6.	Kundan Talwar	ADHPT5381K	Chief Financial Officer
7.	Shweta Kalantri	ATHPK4261B	Company Secretary & Compliance Officer

M/s. REXNORD ELECTRONICS AND CONTROLS LIMITED is a manufacturer of fans & motors. The Company has its manufacturing facility at Survey no. 62, 74, 75, 20, Village Devdal (Sagpada), Opposite Sagar Hotel Kaman Bhiwandi Road, Kaman Taluka- Vasai, District Thane-401208 and sells its products in the Indian and Overseas Markets.

(Source: Annual Report 2021-22)

Appointing Authority and Purpose of Valuation

M/s. REXNORD ELECTRONICS AND CONTROLS LIMITED proposes to raise funds by way of issue of warrants convertible into equal number of equity shares of face value of Rs. 10/- each on preferential basis and in this connection RECL has appointed me vide their engagement letter



dated 13th April, 2023 to issue the Valuation Report (“**the report**”), in accordance with Regulation 166A of SEBI (ICDR) Regulations as the preferential issue to allottee together with allottees acting in concert is more than five per cent of the post issue fully diluted share capital of the Company.

Applicable Legal Provisions, Guidelines and Directives

Considering the purpose of valuation, I understand that the following legal provisions, guidelines and directives shall apply for the purpose of this valuation exercise-

✓ **Section 62(1)(c) of Companies Act, 2013**

Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered-

(a)(specifies matters relating to Rights issue)....

(b)(specifies matters relating to ESOPs)....; or

(c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.

✓ **Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (‘SEBI (ICDR) Regulations, 2018’)**

Pricing of Frequently Traded Shares

164. (1) If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

a. the 90 trading days’ volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or

b. the 10 trading days’ volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

Provided that if the Articles of Association of the issuer provide for a method of determination which results in a floor price higher than that determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue.

166A. (1) Any preferential issue, which may result in a change in control or allotment of more than five per cent. of the post issue fully diluted share capital of the issuer, by an allottee or to



allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price:

Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be, or the price determined under the valuation report from the independent registered valuer or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable:

Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso:

Provided further that the valuation report from the registered valuer shall be published on the website of the issuer and a reference of the same shall be made in the notice calling the general meeting of shareholders.

The above provisions require the company to get the valuation of equity instruments to be done by Registered Valuer under section 247 of companies act, 2013.

In this context, the Company requires our assistance in determining the fair value of equity instruments of the company for complying with SEBI (ICDR) Regulations, 2018, Companies Act 2013 and other relevant laws.

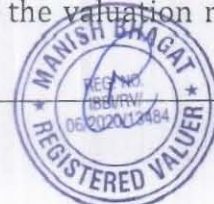
Appointed date, Valuation date & Report date

M/s. REXNORD ELECTRONICS AND CONTROLS LIMITED has appointed Registered Valuer ("RV") on 13.04.2023.

The valuation date of equity shares is as on **12.04.2023**. The valuation report date is 13.04.2023.

Disclosure of Valuer Interest

I have no present or prospective contemplated financial interest in **M/s. REXNORD ELECTRONICS AND CONTROLS LIMITED**. Further I have no personal interest with respect to the Directors of **M/s. REXNORD ELECTRONICS AND CONTROLS LIMITED**. I have no bias/prejudice with respect to any matter that is the subject of the valuation report or to the parties involved with this engagement.



My professional fees for the valuation is based upon my normal billing rates, and not contingent upon the results or the value of the business or in any other manner.

Identity of the Registered Valuer

Mr. Manish Kumar Bhagat is a registered valuer as required under the Companies (Registered Valuers & Valuation) Rules, 2017 and registered with Insolvency & Bankruptcy Board of India vide registration number **IBBI/RV/06/2020/13484**. Manish's primary membership is with ICAI Registered Valuers Organization vide registration no **ICAIRVO/06/RV-P00107/2020-2021**.

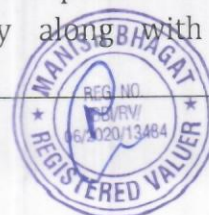
Valuation : A Subjective Concept

The value of a company's equity securities is a very subjective concept. It depends on many variables and factors which are not controllable. Therefore, the work of determining the value of equity shares is not precise. Even when it comes to experts, the value determined by two independent professionals may vary substantially. This is because the valuation process involves objective computations based on many subjective aspects and factors which cannot be predicted; like political and economic conditions, climate changes, human behaviour and technological developments. Moreover, different people may view and interpret the same situation quite differently. People's investment decisions are greatly affected due to the information available with them, availability of funds, options at relevant point of time and their perception about the management of the company. It is, therefore very common to come across situations where the negotiated price with the prospective investor is substantially different from the valuation arrived at by an expert.

Information relied on for valuation of shares

The Registered Valuer has taken following information into consideration while valuation of shares:

- ✓ Audited Financial Statement as on 31st March 2022 and 31st March 2021.
- ✓ Limited Review Un-audited Financial Statements as on 31st December 2022.
- ✓ Discussion with management for information & explanation required for the purpose of ascertaining the fair value of shares.
- ✓ Details of the business of the company and information and explanations received from the Company and the management of the company along with Management representation letter.



- ✓ Publicly available information that is available from websites such as the BSE Limited, Ministry of Corporate Affairs, Company's Website etc.

In addition to the above, RV also obtained such other information and explanations which were considered relevant for the purpose of valuation.

Valuation Standards/Bases

The term "Standards of Value" refer to the type of value (base) chosen for a specific transaction/engagement. The standard of value will differ with the context and purpose of valuation.

For valuation purpose, fair value has been taken as base. Fair Value has been defined as the

- (a) Cash equivalent price at which a transaction is likely to happen;
- (b) as at the valuation date
- (c) between a hypothetical willing buyer and an able seller
- (d) at arm's length
- (e) in an unrestricted and open market
- (f) in which neither the buyer nor the seller is under any compulsion to buy or sell
- (g) both buyer and seller have reasonable and sufficient knowledge of facts.

Valuation Premises

Indian Valuation Standard 2018 defines Premise of Value as the conditions and circumstances of how an asset is deployed. It is an assumption regarding the most likely circumstances (market conditions) that may be applicable to the asset under valuation.

There are two basic premise of valuation:

1. **Going Concern** - As per Ind AS 1, it is based on the assumption that the business will continue to operate in future and that there is no reasonable basis to presume (like negative net worth, continued losses, lockouts, legal ban etc.) that normal continuance of business is jeopardized in any way. Typically (but not necessarily), the business as a whole is valued in this case based on its earning capacity, with all its tangible and intangible assets.
2. **Liquidation** - This implies that the business is either no more a going concern or that it is advantageous to terminate the business and sell the assets piece meal. Such liquidation can be either:



- a) Forced liquidation basis, wherein the seller does not get enough time to locate and negotiate with market participants.
- b) Orderly liquidation Basis, wherein assets are sold over a reasonable period after identifying and negotiating with market participants in an efficient manner.

Based on the nature of assignment and availability of information, we have calculated fair value of shares based on going concern premises.

Valuation Methods

Valuation of the enterprise/equity shares is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be even prepared to pay goodwill. It should be understood that the valuation of any Company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control.

The value of shares of a Company depends on various factors such as its intrinsic net worth; its earning capacity and the price at which a willing buyer is ready to acquire the shares in an open market at arm's length transaction. Accordingly, the alternative methods of share valuation try to consider the above factors while determining the value of the shares of any Company.

The Following are commonly used and accepted methods for determining the value of the equity shares of a Company /Business:

A. Asset Approach

- Net Asset Value Method

B. Income Approach

- Discounted Cash Flow Method
- Profit Earning Capacity Value Method

C. Market Approach:

- Market Price Method



A. The Net Assets Value Method:

It represents the value of a share with reference to the historical cost of the assets owned by the Company and the attached liabilities on the valuation date. It is determined based on the net assets of the Company available to equity shareholders. The same can be calculated either using the book value or the market value of the assets and liabilities.

The mechanism to calculate fair value per equity share is as below:

- The net assets of the business are computed as on the valuation date by deducting from the total assets the value of total liabilities.
- The net value is then divided by the total number of equity shares to arrive at the value per share.

The value of the Company based on NAV of the Company has been calculated on the basis of Audited Financial Statements on Consolidated basis for the period ended 31st March 2022. Since the management of the company doesn't envisage any of the contingent liabilities and therefore the same has not been considered for arriving value per share as per this approach.

The value of shares of the Company based on this approach is Rs. 45.17 per equity share of Rs. 10/- each fully paid up. (Refer Appendix-1)

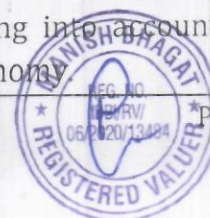
B. Income Approach

1. The Discounted Cash Flow (DCF)

This method uses the future cash flows of the Company discounted by the cost of capital to arrive at the present value. In general, the DCF method values the Company by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to owners/equity shareholders of the Company.

The free cash flows are discounted by Cost of Equity (Ke)/Weighted Average Cost of Capital (WACC). The cost of equity (Ke) represents the return expected by the investors of equity. The WACC represents the return expected by the investors of both debt and equity respectively, weighted of their relative funding in the entity.

Terminal value refers to the present value of the business as a going concern basis beyond the period of projection up to perpetuity. This value is estimated taking into account business growth rates as well as estimated growth rates of the industry and economy.



The present value of the free cash flows during the explicit period and the perpetuity value indicate the value of the company.

The DCF method is modern valuation method which relates the value of an asset to the present value of the expected future cash flows on that asset.

DCF model is predominantly useful for valuation of the business of unlisted companies. Further, SEBI Regulation is also giving emphasis to Market Method. Hence, keeping the context and purpose of the Report in mind, we have not used this method in the Analysis.

2. Profit Earning Capacity Value Method (PECV):

PECV is determined on the basis of capitalization of future maintainable earnings. In this approach, the calculation of PECV requires the determination of three parameters, which are relevant to the company whose shares are being valued. These are firstly, the “future maintainable profits”, secondly, the “appropriate income tax rate” and thirdly, “the expected rate of return”. The PECV is determined by capitalizing the future maintainable profits (net of tax) by the expected rate of return and dividing the equity value so determined by the number of equity shares.

Keeping in mind the context and purpose of the Report, we have used the PECV method as it captures the growth potential of the business going forward. We have used this method to calculate the value of equity share of the Company.

The value of the Company based on Profit Earning Capacity of the Companies has been calculated on the basis of Audited Financial Statements on consolidated basis for the period ended 31st March 2022 & 31st March 2021 and Limited Reviewed Un-audited Financial Statements on consolidated basis for the period ended 31st December 2022 (Annualized for valuation purpose).

On the basis of that, the Average Profit Earnings has been Calculated and the same is Capitalized by taking a Capitalized rate of 15% since the company is a manufacturing Company.

The value of shares of the Company based on this approach is Rs. 42.08 per equity share of Rs. 10/- each fully paid up. (Refer Appendix-2)



C. The Market Price Method:

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that Company where such quotations are arising from the shares being regularly are freely traded.

The Equity Shares of M/S. REXNORD ELECTRONICS AND CONTROLS LIMITED are presently listed only at BSE Limited. The pricing guidelines mentioned in Regulation 164(1) of SEBI (ICDR) Regulations, 2018 is applicable to the Company.

The value of shares of the Company based on this approach is Rs. 108.77 per equity share of Rs. 10/- each fully paid up. (Refer Appendix-3)

Valuation of Shares

As none of the above methods are independently appropriate for the valuation of the shares of the Company, it shall be justified if the valuation of shares is done based on the combination of various methods. While a number of valuation methods and assumptions are feasible, we in the instant case, have applied equal weightage to NAV and PECV Mechanism since the company is a going concern and there is no consistent growth in net profits and weight of three to Market Price Method since the company is frequently traded on BSE Limited.

The value per share has been calculated as per the working shown below:

Sr. no	Method	Value per share (in Rs.)	Weight	Product
1.	Net Asset Value#	45.17	1	45.17
2.	Price Earning Capacity Value*	42.08	1	42.08
3.	Market Price**	108.77	3	326.31
Total			5	413.56
Fair Value per Equity Shares of Rs. 10/- each				82.71 or say 83

Note : There is no change in control hence control premium is not added.

#Please refer to Appendix-1



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*Please refer to the Appendix- 2.

**Please refer to the Appendix- 3.

Conclusion

Based on above valuation approach and considering all the information available on record with management & information available on public domain and applying professional scepticism, the fair value of equity shares of **M/s. REXNORD ELECTRONICS AND CONTROLS LIMITED** is **Rs. 83.00** (Rupees Eighty Three Only) per share.

The report should be read in entirety along with the limitations and disclaimers pertaining to specific asset class.



Appendix 1: Net Asset Value Method

NET ASSET VALUE AS ON 31.03.2022

Particulars	Amount (Rs. In Lakhs)
Equity Share Capital	1,115.91
Add: Other Equity	
- Retained Earnings	3,630.27
- Securities Premium Reserve	292.28
- Other Comprehensive Income	2.54
Shareholders' Funds/ Net Worth	5,041.00
Number of Equity Shares	1,11,60,000
NAV/Book Value per Share (in Rs.)	45.17

Appendix 2: Profit Earning Capacity Value Method

[Amount in Lakhs]

Particulars	31.12.2022*	31.03.2022	31.03.2021
Profit Before Tax	1,202.52	1,223.21	392.20
Total of Profit Before Tax for 3 years			2,817.93
Average Profit Before Tax			939.31
Tax (25%)			234.83
Average Profit After Tax			704.48
Capitalization @ 15%			4,696.55
Number of Equity Shares			1,11,60,000
Value per share (Rs.)			42.08

* PBT for nine months ended 31.12.2022 are annualized.



Appendix 3: Market Value Method

Calculation of minimum issue price as prescribed under Regulation 164 (1) of Chapter V of SEBI (ICDR) Regulations, 2018

Proposed Date of EGM	12 th May, 2023
Relevant Date (30 days prior to EGM)	12 th April, 2023

A] Average of the volume weighted average price (VWAP) of the equity shares of Rexnord Electronics and Controls Limited quoted on the BSE Limited during the 90 trading days preceding the relevant date (i.e 12th April, 2023)

Days	Date of Trading day	No. of Shares	Total Turnover (Rs.)
1	11-Apr-23	14959	16,81,518
2	10-Apr-23	61893	69,13,675
3	06-Apr-23	8756	9,55,117
4	05-Apr-23	29843	31,59,530
5	03-Apr-23	6165	6,04,316
6	31-Mar-23	6832	6,64,291
7	29-Mar-23	11519	11,16,940
8	28-Mar-23	7379	7,12,919
9	27-Mar-23	11216	11,28,533
10	24-Mar-23	4591	4,76,888
11	23-Mar-23	46229	48,13,302
12	22-Mar-23	11107	11,01,803
13	21-Mar-23	12900	12,55,177
14	20-Mar-23	3104	3,03,702
15	17-Mar-23	5552	5,45,525
16	16-Mar-23	4121	4,09,827
17	15-Mar-23	34642	35,80,689
18	14-Mar-23	9415	9,39,615
19	13-Mar-23	13295	13,11,459
20	10-Mar-23	13258	13,07,081
21	09-Mar-23	28318	28,13,255
22	08-Mar-23	7559	7,12,976
23	06-Mar-23	5091	4,77,807
24	03-Mar-23	18786	17,54,153
25	02-Mar-23	4904	4,69,143



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26	01-Mar-23	4958	4,63,658
27	28-Feb-23	2713	2,53,036
28	27-Feb-23	4437	4,18,058
29	24-Feb-23	6422	5,91,954
30	23-Feb-23	8377	7,77,909
31	22-Feb-23	3923	3,64,689
32	21-Feb-23	5216	4,95,641
33	20-Feb-23	8413	8,02,872
34	17-Feb-23	17527	16,84,446
35	16-Feb-23	9591	9,15,937
36	15-Feb-23	7043	6,71,877
37	14-Feb-23	3508	3,38,079
38	13-Feb-23	10709	10,37,389
39	10-Feb-23	10522	10,25,877
40	09-Feb-23	3940	3,85,483
41	08-Feb-23	4653	4,52,857
42	07-Feb-23	2300	2,22,136
43	06-Feb-23	5320	5,11,238
44	03-Feb-23	17250	16,81,779
45	02-Feb-23	6200	6,32,624
46	01-Feb-23	12497	12,89,191
47	31-Jan-23	41161	39,53,781
48	30-Jan-23	13315	13,15,502
49	27-Jan-23	10825	11,34,949
50	25-Jan-23	7706	8,29,007
51	24-Jan-23	4849	5,30,979
52	23-Jan-23	11229	12,08,451
53	20-Jan-23	2788	3,08,470
54	19-Jan-23	5831	6,38,777
55	18-Jan-23	2011	2,24,267
56	17-Jan-23	8089	8,95,777
57	16-Jan-23	4652	5,24,110
58	13-Jan-23	7837	8,78,170
59	12-Jan-23	2891	3,25,952
60	11-Jan-23	30895	34,42,317
61	10-Jan-23	14358	16,02,221
62	09-Jan-23	6901	7,88,804
63	06-Jan-23	6873	7,73,836



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64	05-Jan-23	7949	8,95,943
65	04-Jan-23	9681	11,02,468
66	03-Jan-23	13532	15,68,765
67	02-Jan-23	6496	7,63,994
68	30-Dec-22	9057	10,66,252
69	29-Dec-22	5995	7,19,104
70	28-Dec-22	11342	13,79,646
71	27-Dec-22	10666	12,80,473
72	26-Dec-22	6789	7,89,057
73	23-Dec-22	17616	19,85,174
74	22-Dec-22	25348	29,18,277
75	21-Dec-22	81220	99,33,934
76	20-Dec-22	20979	24,81,308
77	19-Dec-22	5301	6,00,511
78	16-Dec-22	7406	8,41,592
79	15-Dec-22	6460	7,40,789
80	14-Dec-22	3478	4,05,336
81	13-Dec-22	8902	10,43,036
82	12-Dec-22	32617	37,82,691
83	09-Dec-22	11342	13,19,217
84	08-Dec-22	14829	17,45,595
85	07-Dec-22	34996	40,88,389
86	06-Dec-22	13632	15,55,138
87	05-Dec-22	8922	10,31,499
88	02-Dec-22	16665	19,38,370
89	01-Dec-22	60012	73,07,833
90	30-Nov-22	30004	36,86,333
Total		12,00,400	13,05,72,065

Source: BSE Limited Website

B] Average of the volume weighted average price (VWAP) of the equity shares of Rexnord Electronics and Controls Limited quoted on the BSE Limited during the 10 trading days preceding the relevant date (i.e 12th April, 2023)

Days	Date of Trading day	No.of Shares	Total Turnover (Rs.)
1	11-Apr-23	14959	16,81,518



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2	10-Apr-23	61893	69,13,675
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4	05-Apr-23	29843	31,59,530
5	03-Apr-23	6165	6,04,316
6	31-Mar-23	6832	6,64,291
7	29-Mar-23	11519	11,16,940
8	28-Mar-23	7379	7,12,919
9	27-Mar-23	11216	11,28,533
10	24-Mar-23	4591	4,76,888
Total		1,63,153	1,74,13,727

Source: BSE Limited Website

A] Average of 90 trading days VWAP	108.77
B] Average of 10 trading days VWAP	106.73
Applicable Minimum Price (Higher of the A or B)	108.77



Caveats, Limitations and Disclaimers

1. Restriction on use of valuation report:

This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our client is the only authorized user of this report and is restricted for the purpose indicated in the report. I do not take any responsibility for the unauthorized use of this report.

2. Responsibility of RV:

I owe responsibility to only to the authority/client that has appointed me/us under the terms of the engagement letters. I will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall I be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or Companies, their Directors, employees or agents.

3. Accuracy of information:

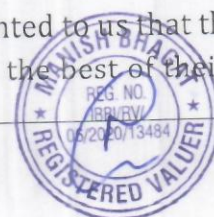
While our work has involved an analysis of financial information our engagement does not include an audit in accordance with generally accepted auditing standards of the clients existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

4. Post valuation date events:

The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.

5. Reliance on the representations of the owners/clients, their management and other third parties:

The client/owner and its management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. I



have relied upon the representations of the owners/clients, their management except as specifically stated to the contrary in the report. I shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the Companies, their Directors, employee or agents.

6. No procedure performed to corroborate information taken from reliable external sources:

I have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, I assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where I have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and/or reproduced in its proper form and context.

7. Compliance with relevant laws:

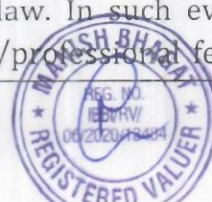
The report assumes that the company/business/asset complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the Companies/Business/assets will be managed in a competent and responsible manner. Further, as specifically stated to 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 litigations and other contingent liabilities that are not recorded/reflected in the balance sheet provided to us.

8. Multiple factors affecting the valuation report:

The valuation report is tempered by the exercise of judicious discretion by the RV, taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc., which may not be apparent from the balance sheet but could strongly influence the value.

9. Future services including but not limited to testimony or attendance in courts/tribunals/ authorities for the opinion of value in the valuation report:

I am fully aware that based on the opinion of value expressed in this report, I may be required to give testimony or attend court/judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending



CA MANISH KUMAR BHAGAT
FCA, ACMA, DISA, FAFD,
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court/judicial proceedings and my/our tendering evidence before such authority shall be under the applicable laws.



Manish Kumar Bhagat
Registered Valuer
Reg. No.: IBB/RV/06/2020/13484
UDIN: 23213498BGVHMP5249

Place: Ahmedabad
Date: 13.04.2023