VALUATION REPORT

on

Fair Value of Equity Shares

Aris International Limited

MANAS DASH & CO.

CHARTERED ACCOUNTANTS

Padma Mangal, Plot No. 3029, Ravi Talkies Road, Bhubaneswar - 751002, India

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Valuation Analysis

We refer to our Engagement Letter dated 8th August 2022 as independent valuers of **Aris International Limited** (the "Company"). In the following paragraphs, we have summarized our valuation Analysis (the "Analysis") of the business of the Company as informed by the management and detailed herein, together with the description of the methodologies used and limitation on our scope of work.

1 Context and Purpose

Based on discussion with the management, we understand that the Company's promoters are evaluating the possibility of **Fair Value of Equity under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**. In the context of these proposed transactions, the management requires our assistance in determining the **fair value of Equity** of the Company.

Proposed Transaction:

During the Financial Year 2022-23, Company is evaluating the possibility of issuing further securities to prospective investors. In this context, the management of **Aris International Limited** (the "Management") has requested us to estimate the fair value of the Equity Shares. - "Proposed Transaction".

2 Conditions and major assumptions

Conditions

The historical financial information about the Company presented in this report is included solely for the purpose to arrive at value conclusion presented in this report and it should not be used by anyone to obtain credit or for any other unintended purpose. Because of the limited purpose as mentioned in the report, it may be incomplete and may contain departures from generally accepted accounting principles prevailing in the country. We have not audited, reviewed or compiled the financial statements and express no assurance on them.

Readers of this report should be aware that a business valuation is based on future earnings potential that may or may not be materialised. Any financial projection e.g. projected balance sheet, projected profit & loss account, projected cash flow statements as presented in this report are included solely to assist in the development of the value conclusion. The actual results may vary from the projections given, and the variations may be material, which may change the overall value.

This report is only to be used in its entirety, and for the purpose stated in the report. No third parties should rely on the information or data contained in this report without the advice of their lawyer, attorney or accountant.

We acknowledge that we have no present or contemplated financial interest in the Company. Our fees for this valuation are based upon our normal billing rates, and not contingent upon the results or the

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value of the business or in any other manner. We have no responsibility to modify this report for events and circumstances occurring subsequent to the date of this report.

We have, however, used conceptually sound and generally accepted methods, principles and procedures of valuation in determining the value estimate included in this report. The valuation analyst, by reason of performing this valuation and preparing this report, is not to require to give expert testimony nor to be in attendance in court or at any government hearing with reference to the matters contained herein, unless prior arrangements have been made with the analyst regarding such additional engagement.

Assumptions

The opinion of value given in this report is based on information provided by the management of the Company and other sources as listed in the report. This information is assumed to be accurate and complete.

We have relied upon the representations contained in the public and other documents in our possession and any other assets or liabilities except as specifically stated to the contrary in this report.

We have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances, or that the owner has good title to all the assets.

We have also assumed that the business will be operated prudently and that there are no unforeseen adverse changes in the economic conditions affecting the business, the market, or the industry. This report presumes that the management of the Company will maintain the character and integrity of the Company.

We have been informed by the management that there are no significant lawsuits or any other undisclosed contingent liabilities which may potentially affect the business, except as may be disclosed elsewhere in this report. We have assumed that no costs or expenses will be incurred in connection with such liabilities, except as explicitly stated in this report.

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3 Background of the Company

Aris International Limited incorporated in the Year 1995 and is engaged in Import & export of Merchandise & Software Development.

Further data of the company as on valuation report date is as under:

CIN	L29130MH1995PLC249667
Company / LLP Name	ARIS INTERNATIONAL LIMITED
ROC Code	RoC-Mumbai
Registration Number	249667
Company Category	Company limited by Shares
Company Subcategory	Non-govt company
Class of Company	Public
Authorised Capital (Rs)	70000000
Paid up Capital (Rs)	4620100
Number of Members (Applicable in case of company without Share Capital)	0
Date of Incorporation	21/08/1995
Registered Address	129, B Ansa Industrial Estate Saki Vihar Road, Saki Naka, Andheri (East) Mumbai Mumbai City MH 400072 IN
Email Id	arisinternationalltd@gmail.com
Whether listed or not	Listed
Date of last AGM	25/09/2021
Date of Balance Sheet (Audited)	31/03/2021
Company Status (for e-filing)	Active

Directors and Key Managerial Persons

DIN/PAN	Name	Begin date	Designation
00206671	Ramesh Chandra Mishra	20/07/2012	Non-Executive Director
03198502	Nitin Arvind Oza	18/05/2020	Non-Executive, Independent Director
05336563	Avinash Ramshiromani Tiwari	05/09/2013	Non-Executive, Independent Director
ABVPY2378K	Sushama Anuj Yadav	29/09/2018	CFO (KMP) and Company Secretary cum Compliance Officer
08536750	Sanghamitra Sarangi	18/05/2020	Non-Executive, Independent Director
09055544	Ira Mishra	30/10/2021	Managing Director, Executive Director

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4 Valuation Premise

The premise of value for our analyses is going concern value as there is neither a planned or contemplated discontinuance of any line of business nor any liquidation of the Company.

5 Valuation Date

The Analysis of the Fair Value of Equity of the **Aris International Limited** of the Company as on **March 31, 2022.**

6 Valuation Standards

The Report has been prepared in compliance with the internationally accepted valuation standards and valuation standard adopted by ICAI Registered Valuers Organisation.

7 Valuation Methodology and Approach

The standard of value used in the Analysis is "Fair Value", which is often defined as the price, in terms of cash or equivalent, that a buyer could reasonably be expected to pay, and a seller could reasonably be expected to accept, if the business were exposed for sale on the open market for a reasonable period of time, with both buyer and seller being In possession of the pertinent facts and neither being under any compulsion to act.

Valuation of a business is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be prepared to pay a substantial goodwill. This exercise may be carried out using various methodologies, the relative emphasis of each often varying with:

- whether the entity is listed on a stock exchange
- industry to which the Company belongs
- past track record of the business and the ease with which the growth rate in cash flows to perpetuity can be estimated
- Extent to which industry and comparable Company information is available.

The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue. These can be broadly categorised as follows:

1. <u>Cost Approach</u>

Net Asset Value Method ("NAV")

Valuation on Net Assets is computed by taking the net value of a business's assets, subtracting therefrom the amount of the liabilities and preferred share-holders' claims and dividing the remainder among the equity shareholders according to their individual rights. The value arrived at under this approach is based on the audited financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The balance sheet values are adjusted for any contingent liabilities that are likely to materialise. The principle behind the Cost Approach is that a

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prudent investor will not purchase an asset for more than it will cost him to replace this asset with an asset of comparable utility.

The Net Asset Value is generally used as the minimum break-up value for the transaction since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern. However, it may be appropriate to value shares on asset basis under circumstances like where a company has been trading at a loss and there are no prospects of earning any profit in the foreseeable future.

The management was unable to provide us the realisable value or replacement cost of the assets used by the company. Hence Book value is considered to arrive at the fair value.

In present case, fair value under Cost Approach-Net Asset Value method is not considered as the net worth of the company is Negative as on valuation date March 31, 2022. (Refer Annexure-II)

2. Market Approach

Market Approach relies on relative valuation to arrive at the value of a business, based upon how similar assets are priced in the market. The use of relative valuation and more specifically the Market Approach is widespread, especially in equity research reports and acquisition valuations. The Market Approach provides a reasonable basis for valuation and is relatively a quick approach in its application, but it suffers from a number of limitations:

i) Relative valuation is as good as the valuation of the comparable companies and suffers from volatility of the market.
ii) Identifying comparable companies with similar growth rates, business composition, stage and riskiness of business is a difficult task and finding a perfect match is extremely challenging.
iii) Differences in accounting policies related to revenue recognition, depreciation, etc., though adjustable to a certain extent, can result in a distorted valuation.
iv) The Market Approach or relative valuation is more commonly applied to historical data and can result in the undervaluation of a company with a significant future potential or benefit that may arise due to beneficial circumstances such as market expansion.

The Market Approach can be applied through different methods, namely Comparable Companies Multiple Method, Comparable Companies Transaction Multiple Method and Prior Sale of Business Method.

Comparable Companies Multiple Method

Market Comparable Method involves the identification of comparable companies followed by the derivation of market-based multiples. While applying such multiples to the subject company's financial metrics, careful adjustments to account for differences in fundamentals between the comparable companies and the subject must be undertaken.

Theoretically, a comparable company is the one with cash flows, growth potential and risk similar to the company being valued. Conventionally, looking at the companies within the sector provides a better-matched and similar-profiled set of comparable companies. In some cases, it is necessary to

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look across sectors to identify comparable companies. In practice, one seldom finds exactly similar companies.

The next step is to arrive at a standardised set of ratios for comparison, commonly known as multiples. Multiples are a ratio of the enterprise value/equity value over different financial parameters like Revenue, Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA"), Profit after Tax ("PAT"), Earnings per Share ("EPS"), book value etc., with some being preferred over the others.

As comparable companies are not exactly similar to the company being valued, the multiples derived from such companies cannot be applied sacrosanct, and thus merit various subjective adjustments to account for differences in risk profile, growth rate, etc.

Under this methodology, market multiples of comparable listed companies are computed and applied to the business being valued in order to arrive at a multiple based valuation The difficulty here in the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, profitability and accounting practices.

Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way comparable enterprises are valued by public markets. In case of early-stage company and different business model the problem aggravates further.

A search for publicly traded comparable companies with similar core business, sales size and other attributes is not available for analysis by using the various databases and other publicly available data to arrive at the fair value. The management also confirmed to us that there are no comparable companies appropriate to business profile, size, etc. of the company.

However, as per regulation 165 of SEBI ICDR, we have considered this valuation parameter as part of customary approach with respect to certain companies. Since this method considers future earnings of the Companies, this method is a proxy for Discounted Cash Flows method and as such, we have considered the median of the Price to Earnings ("P/E") Multiple of comparable companies (to the extent identifiable in any of the comparable criteria similar to subject company) adjusted for premium/discount as appropriate and applied it to the average normalised PAT of the Company to arrive at its fair value.

In present case, fair value under Comparable Companies Multiple Method is not considered as the Average/Median multiple of comparable companies results negative value which gives Negative valuation to the company as on valuation date March 31, 2022. (Refer Annexure-III)

Comparable Companies Transactions Method

The Comparable Companies Transaction Method uses transaction multiples in place of trading multiples. Transaction multiples, as the name suggests, are the multiples implied in the recent acquisitions/disposals of comparable companies.

This method is especially useful if there are limited comparable companies. Also, it incorporates the market sentiments in a better way, as the multiples, unlike trading multiples which are affected by the inefficiencies of the market, are based on an informed negotiation between buyers and sellers.

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Various factors considered while using transaction multiples. These are nature of transaction - hostile deal, group restructuring, industry trends, negotiation or control premiums that may have been paid, time of transaction - whether at the high or low of industry cycle, consideration - share or cash, contingent to future performance, etc.

This method suffers from limitation of data availability, as the requisite information relating to transactions, specially about private companies, is seldom available.

This approach is somewhat similar to the market multiples approach except that the sales and EBITDA multiples of reported transactions in the same industry in the recent past are applied to the sales and EBITDA of the business being valued.

A search for comparable transaction of companies with similar core business, sales size and other attributes is not available for analysis by using the various databases and other publicly available data to arrive at the fair value. The management also confirmed to us that there are no comparable transactions appropriate to business profile, size, etc. of the company.

Therefore, it is considered appropriate not to use comparable transaction multiple method for aforesaid valuation.

Prior Sale of Business Method

Prior Sale of Business Method, like the Market Transaction Method, makes use of transaction multiples. However, transaction multiples used in this case are the ones implied in the prior transactions involving the subject company itself. For example, an earlier stake sale in business can be used to provide a benchmark valuation of a company, provided the same was between unrelated parties. Transaction multiples should be adjusted for timings of the transactions and intermediate changes in the stage of business, earnings margin, growth rate, etc. There is no such prior transaction involving the subject company, as informed by the management of the company.

Therefore, it is considered appropriate not to use comparable transaction multiple method for aforesaid valuation.

3. <u>Income Approach</u>

The potential earning power of a company is generally a key factor for business or share valuations, however there may be occasions, especially in valuations for compensation, where other considerations become relatively more important. In the absence of any other special motive, an investor is principally interested in a company's ability to continue earning profits. Income Approach that incorporates company specific estimates to arrive at the firm's intrinsic value.

The Income Approach indicates the value of a business based on the value of the cash flows that a business is expected to generate in future. This approach is appropriate in most going concern situations as the worth of a business is generally a function of its ability to earn income/cash flow and to provide an appropriate return on investment.

The Income Approach includes a number of methods, such as Discounted Cash Flow (DCF) Method, Relief from Royalty (RFR) Method, Multi-Period Excess Earnings Method (MEEM), With and Without

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Method (WWM) and Option pricing models such as Black-Scholes-Merton formula or binomial (lattice) model.

Discounted Cash Flows - "DCF"

The Discounted Cash Flow method indicates the Fair Value of a business based on the value of cash flows that the business is expected to generate in future. This method involves the estimation of post-tax cash flows for the projected period, after taking into account the business's requirement of reinvestment in terms of capital expenditure and incremental working capital. These cash flows are then discounted at a cost of capital that reflects the risks of the business and the capital structure of the entity.

Discounted Cash Flow is the most commonly used valuation technique, and is widely accepted because of its intrinsic merits, like:

i) it is based upon expected future cash flows that will determine an investor's actual return;

ii) It is based on expectations of performance specific to the business, and is not influenced by short-term market conditions or non-economic indicators;

iii) It is not as vulnerable to accounting conventions like depreciation, inventory valuation in comparison with the other techniques/approaches since it is based on cash flows rather than accounting profits;

The first and most critical input of the Discounted Cash Flow model is the cash flow projections. As stated earlier, the Discounted Cash Flow value is as good as the assumptions used in developing the projections. These projections should reflect the best estimates of the management and take into account various macro and microeconomic factors affecting the business. More specifically, Ind AS specifies that "an entity shall base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset.

FCFE refers to cash flows available to equity shareholders and therefore, cash flows after interest, dividend to preference shareholders, principal repayment and additional funds raised from lenders / preference shareholders are considered.

FCFF refers to cash flows that are available to all the providers of capital, i.e., equity shareholders, preference shareholders and lenders. Therefore, cash flows required to service lenders and preference shareholders such as interest, dividend, repayment of principal amount and even additional fund raising are not considered in the calculation of FCFF.

DCF uses the future free cash flows of the company discounted by the firm's weighted average cost of capital (the average cost of all the capital used in the business, including debt and equity), plus a risk factor measured by beta, to arrive at the present value.

Beta is an adjustment that uses historic stock market data to measure the sensitivity of the Company's cash flow to market indices, for example, through business cycles.

The DCF method is a strong valuation tool, as it concentrates on cash generation potential of a business. This valuation method is based on the capability of a company to generate cash flows in the future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a Company's cost of capital and the risk associated with the cash flows it generates. DCF analysis is based mainly on the following elements:

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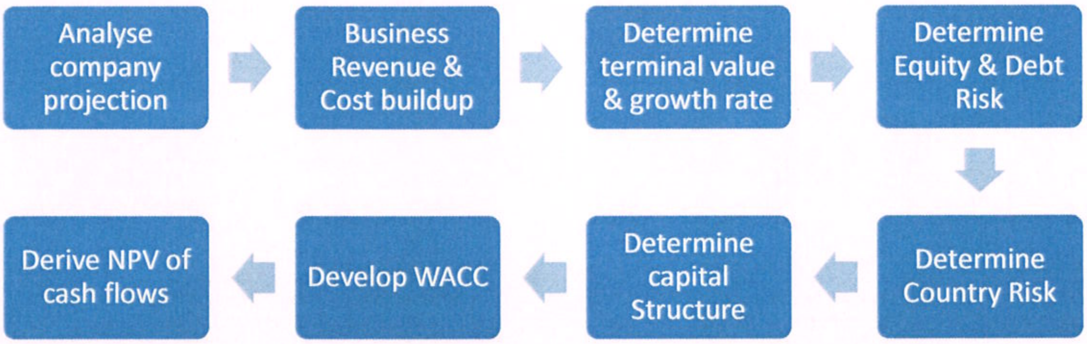
- Projection of financial statements (key value driving factors)
- The cost of capital to discount the projected cash flows



DCF is based on the future earnings, working capital requirement, CAPEX in future, Debt drawdown and repayment, depreciation, tax obligations etc.

In the case with ARIS INTERNATIONAL Limited, the free cash flows in last few quarters have been varied. Further, considering company's growth plan, there may be variability in free cash flows in coming periods. Therefore, it is considered appropriate not to use capitalization of free cash flows method for aforesaid valuation.

As there is no substantial activity carried out by the company in the past and management is not clear about the future cash flow of the company, Cash flow projections reasonably captures the growth prospects and earnings capability of the subject company and the future cash flow projected accordingly. Discount rate is the aggregate of risk-free rate and risk premium to account for riskiness of the business and in present case key inputs and adjustments have been considered.

Fair value under discounted cash flow method as on valuation date March 31, 2022 has been calculated at INR 4.04 per equity share. (Refer Annexure-IV)

Valuation Methodology

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose.

Provision of Regulation for requirement of Valuation:

SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED

PART IV: PRICING

Pricing of infrequently traded shares

Regulation 165: *Where the shares of an issuer are not frequently traded, the price determined by the issuer shall take into account the valuation parameters including book value, comparable trading*

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multiples, and such other parameters as are customary for valuation of shares of such companies: Provided that the issuer shall submit a certificate stating that the issuer is in compliance of this regulation, obtained from an independent registered valuer to the stock exchange where the equity shares of the issuer are listed.

Company does not have any operational income and revenues are mainly from other income (Interest income etc.,), accordingly Comparable Company Multiple method is not considered for valuation.

In the instant case, the quoted equity shares of the company are not frequently traded on Bombay Stock Exchange, considering this we have determined the Fair Value of Equity Shares as per Discounted Cash Flow method.

Our choice of methodology and valuation has been arrived using usual and conventional methodologies adopted for purposes of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of similar nature.

Refer Annexure 1 for working

8 Source of Information

The Analysis is based on a review of the business plan of the Company provided by the Management and information relating to sector as available in the public domain. Specifically, the sources of information include:

- Discussions with the Management / representative of the Company;
- All Company specific information were sourced from the management of the Company, either in the written hard copy or digital form;
- Other information / data available in public domain.

In addition to the above, we have also obtained such other information and explanations from the Company as were considered relevant for the purpose of the valuation. It may be mentioned that the Management has been provided the opportunity to review our draft report as part of our standard practice to make sure that factual inaccuracies are avoided in our final report.

9 Caveats

Provision of valuation recommendations and considerations of the issues described herein are areas of our regular corporate advisory practice. The services do not represent accounting, assurance, financial due diligence review, consulting, transfer pricing or domestic/international tax-related services that may otherwise be provided by us.

Our review of the affairs of the Company and their books and account does not constitute an audit in accordance with Auditing Standards. We have relied on explanations and information provided by the Management of the Company and accepted the information provided to us as accurate and complete in all respects. Although, we have reviewed such data for consistency and reasonableness, we have not

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independently investigated or otherwise verified the data provided. Nothing has come to our attention to indicate that the information provided had material mis-statements or would not afford reasonable grounds upon which to base the Report.

The report is based on the financial projections provided to us by the Management of the company and thus the responsibility for forecasts and the assumptions on which they are based is solely that of the Management of the Company and we do not provide any confirmation or assurance on the achievability of these projections. It must be emphasized that profit forecasts necessarily depend upon subjective judgement. Similarly, we have relied on data from external sources. These sources are considered to be reliable and therefore, we assume no liability for the accuracy of the data. We have assumed that the business continues normally without any disruptions due to statutory or other external/internal occurrences.

The valuation worksheets prepared for the exercise are proprietary to the Valuer and cannot be shared. Any clarifications on the workings will be provided on request, prior to finalizing the Report, as per the terms of our engagement.

The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them.

The Valuation Analysis contained herein represents the value only on the date that is specifically stated in this Report. This Report is issued on the understanding that the Management of the Company has drawn our attention to all matters of which they are aware, which have an impact on our Report up to the date of signature. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

We have no present or planned future interest in the Company and the fee for this Report is not contingent upon the values reported herein.

Our Valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any transaction with the Company.

A draft of the report was shared with the Company, prior to finalisation of report, for confirmation of facts, key assumptions and other Company representations.

Our Report is not nor should it be construed as our opining or certifying the compliance with the provisions of any law / standards including company, foreign exchange regulatory, accounting and taxation (including transfer pricing) laws / standards or as regards any legal, accounting or taxation implications or issues.

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. This report does not in any manner address, opine on or recommend the prices at which the securities of the Company could or should transact.

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10 Control Premium

The company pursuant to our query under Regulation 166A confirmed that:

1. There is change in management.
2. Allotment of shares more than 5%
3. The proposed issue price is Rs.10/-

Considering the above parameters we stated that the valuation computed under Regulation 165 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 is Rs.4.04/- and the issue price is Rs.10/- which is more than the valuation price, considering the financial and other parameters of the company.

11 Distribution of Report

The Analysis is confidential and has been prepared exclusively for **Aris International Limited**. It should not be used, reproduced or circulated to any other person or for any purpose other than as mentioned above, in whole or in part, without the prior written consent of the valuer. Such consent will only be given after full consideration of the circumstances at the time. However, we do understand that the report will be shared with the investor / buyers of the Company / submission to government authorities and regulators towards statutory compliances.

12 Opinion on Value of Equity as per Income Approach - Discounted Cash Flow Method

The management is of the view that the valuation shall be conducted as per procedure provided in clause 165 of the Securities and Exchange Board of India (Issue of capital & disclosure requirements) Regulations 2018. Management mandated for application of Cost approach, Income approach and Market approach for valuation as the share price in market is volatile and do not represent current state of affairs. Accordingly, the valuation of Aris International Limited, have been determined after taking into consideration all the factors and methods mentioned herein above.

The equity values have been arrived are based on the various approaches/methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the business of Aris International Limited, having regard to the information base, key underlying assumptions and limitations.

In accordance with regulation 164 of the of the Securities and Exchange Board of India (Issue of capital & disclosure requirements) Regulations 2018, the shares of the company are not frequently traded. Accordingly, i have calculated the price per share in accordance with Regulation 165 that deals with infrequently traded shares. Accordingly, pursuant to Regulation 165, for the purpose of the preferential allotment of shares of face value of Rs 10 each, I have used higher of share value calculated as per Asset approach – Book Value method and Income Approach-Discounted cash flow approach and the Fair value of the equity shares comes to Rs 4.04 per equity share only.

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We have independently applied methods discussed above except Assets method, as considered appropriate, and arrived at their assessment of fair value per equity share of Aris International Limited.

We trust the above meets your requirements. Please feel free to contact us in case you require any additional information or clarifications.

Yours faithfully

Manas Dash
Chartered Accountant
Membership No: 062096

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Registered Valuer (Asset Class: Securities or Financial Assets)
ICAIRVO Membership No. ICAIRVO/06/RV-P00257/2019-2021
IBBI Registration No: IBBI/RV/06/2019/12434

UDIN: 22062096APFTCG8907

Place: Bhubaneswar
Date: 17.08.2022

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Traded turnover on BSE Limited during the twelve calendar months preceding the calendar month in which the public announcement is made under SAST Regulations i.e., August 1, 2021 to July 31, 2022.

Company: ARIS INTERNATIONAL LTD. 531677

Period: August 1, 2021 to July 31, 2022

Annexure I

All Prices in ₹

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread	
										H-L	C-O
Jan 22	18.10	18.10	18.10	18.10	105	2	1,900	105	100.00	0.00	0.00
Apr 22	19.00	19.00	19.00	19.00	40	2	760	40	100.00	0.00	0.00
May 22	19.95	20.90	19.95	20.90	110	2	2,242	110	100.00	0.95	0.95

* Spread
H-L : High-Low
C-O : Close-Open

Annexure II

Enterprise Value as per Cost Approach - Net Asset value Method (As on 31st March 2022)

(Rs. In Lakhs)

Particulars	Amount
Other Non-Current Assets	0.91
Non-Current Investment	6.56
Short term Loans and advance	5.60
Inventories	1.05
Cash & Cash Equivalents	4.07
TOTAL ASSETS (A)	**18.19**
Less: Liabilities	
Long Term Borrowings	33.57
Trade Payable	2.44
Other Current Liabilities	4.91
TOTAL LIABILITIES (B)	**40.92**
NET WORTH (A-B)	**(22.73)**

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Annexure III

Enterprise Value as per Market Approach - Comparable Companies Multiple Method (As on 31st March 2022)

Comparable Guideline Companies	P/E Multiple
i) Hypersoft Technologies Ltd	-150.58
ii) Sofcom Systems Ltd	13.51
iii) Ecom Infotech (I) Ltd	-57.89
Average / Median Multiple	**-57.89**

- **As the Comparable multiple is negative and PAT is negative, valuation of shares was not done.**

Annexure IV

Enterprise Value as per Income Approach - Discounted Cash Flow Method (As on 31st March 2022) (Rs. In Lakhs)

Particulars	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Revenue	30.24	42.34	46.57	59.71	65.68	72.25
Free Cash Flow to Equity	**-13.79**	**-6.26**	**-6.14**	**0.85**	**0.57**	**1.59**
Discount factor	0.82	0.67	0.55	0.45	0.37	0.30

VALUATION OF EQUITY SHARES

Primary Value	-17.77
Terminal Value	32
Add: Cash & Cash Equivalent	4.07
Total Value of Equity	18.67
No. of equity share	4,62,010
Value Per Share	**4.04**

As represented to us, the allottee who proposed to subscribe/ allot equity shares details as mentioned herein below more than 5 % of the proposed enhanced capital: -

Sr. No.	Identity of Proposed allottee	PAN/Passport in case of NRI OR Foreign national of ultimate beneficial owner	Category	Pre-Issue Holding & (%)	No of equity shares to be allotted through preferential	Post Issue Holdings	Post-issue holding %
1	Ramesh Mishra		promoter	64370	10,37,990	11,02,360	73.49%

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M Dash

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CHARTERED ACCOUNTANT

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Regulation 166A (1): Other conditions for pricing

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, to 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.

Considering the aforesaid requirements under Regulation 165 & 166A(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Articles of Association of the Company, we have determined the Fair Value of Equity Shares as per Regulation 165 read with Regulation 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the fair price for subscription as per their valuation report will be Rs. 4.04 /- per equity shares of Rs. 10/- each.

Control premium:

The fair value of each equity share determined through valuation certificate of Mr. Manas Dash, Regd. No. IBBI/RV/06/2019/12434 having office situated at Plot No-3029, Padma Mangal, Ravi Takies Road, Bhubaneswar- 751002 that is Rs. 10/- per equity share.

Since there is change in Management, pursuant to the preferential offer, and allotment of shares are more than 5%, the valuation report also considers the control premium per equity share over and above the fair value.

Method of determination of price as per the Articles of Association of the company – Not applicable as the Articles of Association of the company are silent on the determination of a floor price / minimum price of the share issued on preferential basis. The pricing of equity shares to be allotted on preferential basis is Rs. 10/- (Rs. Ten Only) each to the proposed allottee (Mr. Ramesh C Mishra), which is higher than above mention prices that is Rs. 4.04/- per equity shares.

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