

VALUATION REPORT

for determination of Fair Value of Equity Shares of Esaar India Limited

Date of Valuation of Esaar India Limited("EIL"): 20th September,2023

Date of Valuation Report: 21st September, 2023

Prepared by:

Registered Valuer: Ashish Mandowara

IBBI Registration No.: IBBI/RV/06/2019/11908

ICAI RVO Registration No.: ICAIRVO/06/RV-P00132/2019-20

Private and Confidential

To,

21st September,2023

The Board of Directors,
Esaar India Limited
Shop No. 06,
Prathamesh Avenue Datta Mandir Road,
Malad East,
Mumbai City MH 400097 IN

Subject - Valuation report of Fair Value of Equity Shares of Esaar India Limited (EIL).

Dear Sir,

In accordance with our engagement letter dated August 19, 2023, we have prepared a valuation report to express our opinion on the fair value of the Equity Share of Esaar India Limited (EIL) as on 20th September,2023.

Based on our study and analytical review procedures, and subject to the limitations expressed within this report, our opinion of the fair value of Equity Shares of the Company, for the purpose of complying with the valuation requirements for compliance with SEBI circulars as stated above, as on 20th September,2023 is INR 4.76/- per share.

Thanks & Regards

Ashish Mandowara



Registered Valuer & Chartered Accountant

CA Ashish Mandowara

IBBI Registration No.: IBBI/RV/06/2019/11908

ICAI RVO Registration No.: ICAIRVO/06/RV-P00132/2019-20

ICAI MN. - 140714

UDIN: 23140714BGVJRE2237

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Disclaimer

This 'Valuation Report' ("report") is being furnished for determination of the fair value of Equity Shares of Esaar India Limited ("EIL"), on a going concern basis. I understand that the purpose of the said report is to determine the fair value of Equity Shares of EIL as on **20th September, 2023**. I, Ashish Mandowara, (hereafter referred to as "Registered Valuer") have been appointed by the Board of Directors of the company i.e. EIL for submitting the fair valuation report of equity shares. The value of Equity Shares of EIL is to be determined with reference to valuation as on **20th September, 2023**. I have not considered the impact of any changes on the business / economic environment of the company or general industry post the valuation date.

The factual data, business details and financial statements have been provided by the management of EIL, which has been relied upon by Registered Valuer, without verifying the accuracy thereof. While such information reproduced herein is believed to be true and reliable to the best of our knowledge, I do not make any representations or warranties, express or implied, as to the accuracy or completeness of such information.

The report highlights the alternative approaches to valuation, identifies various factors affecting the valuation, summarizes the methodology keeping in view the circumstances of the company and arrives at the value of the company.

Distribution of Report

The analysis is confidential and has been prepared exclusively for EIL, it should not be used, reproduced or circulated to any other person or any other purpose, in whole or in part without the 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.



Chapter 1: Background

1.1 Fair Valuation

The term “Fair Value” is defined by ICAI Valuation Standard 102 – Valuation Basis as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.”

Our analysis and report are in conformity with the “ICAI Valuation Standards” (IVS) issued by the Institute of Chartered Accountants of India. In addition to the general standards/ guidelines of the IVS, our report specifically complies with ICAI Valuation Standard 102 - Valuation Bases, ICAI Valuation Standard 103 - Valuation Approaches and Methods, ICAI Valuation Standard 201 - Scope of Work, Analyses and Evaluation, ICAI Valuation Standard 202 - Reporting and Documentation and ICAI Valuation Standard 301 - Business Valuation.

1.2 Valuation Premise

The Premise of value for our analysis is going concern value as there is neither a planned or contemplated discontinuance of any line of business nor any liquidation of the company.

1.3 Purpose of Valuation Exercise

- The Company is evaluating the possibility of issuing an open offer for acquiring the company for prospective investor. In this context, The Board of Directors of EIL appointed Registered Valuer to issue the Valuation Report (“the report”) for determination of the fair valuation of Equity shares of the company as per the internationally accepted valuation principles, as on 30th June, 2023. The Report is prepared as per the announcement of open offer as on 21st September, 2023.



- The valuation is undertaken based on data available of the company from BSE website. We have been informed by the Management that there is no material change in the Company from the financial statements for the period to the date of valuation report, which may potentially affect the valuation.
- This report has been issued in accordance with section 247 of Companies Act 2013, which provides statutory backing to the Valuation, which requires that in respect of valuation of any property, stocks, shares, debentures, securities or goodwill or any other assets (herein referred to as the assets) or net worth of a company or its liabilities under the provision of this Act, it should be valued by a person having such qualification and experience and registered as Valuer in such manner as may be prescribed.
- In view of the above background, Registered Valuer understands that the purpose of this report is to determine the fair value of Equity Shares of EIL that will be allotted to the investors in accordance with the requirement of sections 42 and 62(1)(c) of the Companies Act, 2013, which states that when a company proposes to issue new shares, the price of such shares should be determined by the valuation report of a Registered Valuer.
- Current valuation is performed to determine the price of equity share as on 20th September, 2023 by Registered Valuer.
- As per the Regulation 8, of the SEBI (SAST) Regulations, 2011 which specifically deals with the determination of offer price. Determined as the highest of certain prices as set out in Regulation 8. One of these prices to be considered is the 'volume-weighted average market price of the shares for a period of 60 trading days immediately preceding the date of the public announcement on the stock exchange where the maximum trading volume is recorded during such period, and such shares are frequently traded shares'.



1.4 Standard Compliance and Valuation Basis

- Our analysis and report are in conformity with the “ICAI Valuation Standards” (IVS) issued by the Institute of Chartered Accountants of India. In addition to the general standards/ guidelines of the VS, our report specifically complies with ICAI Valuation Standard 102 - Valuation Bases (IVS 102), ICAI Valuation Standard 103 – Valuation Approaches and Methods (IVS 103), ICAI Valuation Standard 201
- Scope of Work, Analyses and Evaluation (IVS 201), ICAI Valuation Standard 202 - Reporting and Documentation (IVS 202) and ICAI Valuation Standard 301 - Business Valuation (IVS 301).
- The valuation basis used in arriving at our valuation conclusion is ‘Fair Value’. ‘Fair value’ is defined by IVS 102 as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.”
- IVS 102 defines ‘orderly transaction’ as “a transaction that assumes exposure to the market for a period before the valuation date to allow for marketing activities that are usual and customary for transactions involving such assets or liabilities and it is not a forced transaction. The length of exposure time will vary according to the type of asset and market conditions.”
- IVS 102 further defines ‘Market participants’ as “willing buyers and willing sellers in the principal (or most advantageous) market for the asset or liability that have all of the following characteristics:
 - (a) They are independent of each other, that is, they are not related parties as defined under applicable accounting framework and set of reporting/ accounting standards therein, although the price in a related party transaction may be used as an input to a fair value measurement if the entity has evidence that the transaction was entered into at market terms;
 - (b) They are knowledgeable, having a reasonable understanding about the asset or liability and the transaction using all available information, including information that might be obtained through due care that is usual and customary;



(c) They are able to enter into a transaction for the asset or liability; and

(d) They are willing to enter into a transaction for the asset or liability, i.e., they are motivated but not forced or otherwise compelled to do so.”

- In the absence of a real buyer and seller, or the lack of stated intention by the holder to sell, assumptions must be employed in the determination of value. The Company was valued on a stand-alone, fair value basis assuming a hypothetical willing buyer and a hypothetical willing seller. The values presented herein do not consider any additional value that may be realized by a particular purchaser who benefits from specific synergies or economies of scale, which could not be identified or quantified for these purposes. The fair value basis was applied to produce a reasonable proxy for the value of the Company as on the date of this valuation date.
- This valuation was performed on the premise that the Company will continue to operate as a going concern. IVS 102 defines ‘going concern value’ as “the value of a business enterprise that is expected to continue to operate in the future.”

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1.5 Background of EIL

Esaar India Limited is a Public limited company incorporated on 23/08/1951. It is classified as Non-Government Company and is registered with Registrar of Companies, Mumbai. EIL's Corporate Identification Number is L67120MH1951PLC222871. EIL's registered office is at Shop No. 06, Prathamesh Avenue Datta Mandir Road, Malad East, Mumbai City MH 400097 IN

EIL authorised share capital is INR 61,50,00,000 and its paid-up capital is INR 20,44,25,000. The Directors are Mehul Hasmukh Shah, Vaibhav Shastri, Rajesh Kumar Amarnath Pandey, Bipin Dinesh Varma, Dipti Yelve Shashank and Shruti Rahul Joshi.

Esaar (India) Limited is RBI Registered Non Systemically Important Non-Deposit taking Non-Banking Financing Company Incorporated on 23rd August, 1951 catering to the rising credit requirements of underserved markets through its diversified offerings. The Company's diverse product suite, including Gold Loans, Business Loans, Loans Against Property and MSME Financing, Microfinance, Developer and Construction Finance and Capital Market Finance, caters to a broad spectrum of customers.

The shareholding pattern of the Company, as on 30th June, 2023, is provided below:

Promoter & Promoter Group	634688
Public	19807812
Total	20442500



Chapter 2: Scope of Work & Limitation

Scope of Work

- Registered Valuer to value the company as per Valuation rules under the Companies Act 2013.
- The value is to be determined with reference to the valuation date, which is 20th September,2023.
- Our report on recommendation of fair value of equity shares is in accordance with Indian Valuation Standards, 2018 and internationally accepted valuation standards.
- Both internal and external factors, which influence the value of the Company have been reviewed, analysed, and interpreted. Internal factors included the Company's financial position and results of operations. External factors included, among other things, the status of the economy and the position of the Company relative to the industry.

Appointing Authority

- As per Section 247 of The Companies Act, 2013 in absence of the Audit Committee, the Board of Directors of EIL appointed Mr Ashish Mandowara (Registered Valuer) for valuation of equity shares.

Appointment date, Valuation date and Report date

- The analysis of the fair value of the Equity Shares of the Company has been carried out on the valuation date i.e. 20th September,2023. The valuation report is issued on 21st September,2023.

Identity of the Valuer

- Mr. Ashish Mandowara is a Registered Valuer as required under The Companies (Registered Valuers & Valuation) Rules, 2017. Mr. Ashish Mandowara is registered with Insolvency & Bankruptcy Board of India vide registration number IBBI/RV/06/2019/11908. He is also a Chartered Accountant vide Membership number 140714 and ICAI RVO Registration No.: ICAIRVO/06/RV-P00132/2019-20.



Disclosure of Valuer Interest

- I have no present or prospective contemplated financial interest in EIL nor any personal interest with respect to the Promoters & Board of Directors of EIL. 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 fee for this 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.

Scope Limitations

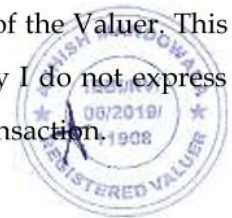
- i. Valuation analysis and result are specific to the date of this report. A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. As such, valuation results are, to a significant extent, subject to continuance of current trends beyond the date of the report. Registered Valuer, however, has no obligation to update this report for events, trends or transactions relating to the company or the market/economy in general and occurring subsequent to the date of this report.
- ii. Registered Valuer provides no assurance that the issue/ transfer of shares can be completed successfully at or close to our recommended valuation within a particular timeframe. Our valuation only aims to represent the likely price that is the minimum price for issue of shares.
- iii. Registered Valuer has relied upon the information furnished by the management of the company and other sources believed to be reliable and true.
- iv. In the course of the valuation, Registered Valuer has been provided with all kind of information, including market, technical, financial and operating data. However, Registered Valuer has not carried out a due diligence or audit of EIL for the purpose of this engagement, nor have independently investigated or otherwise verified the data provided.



- v. Further, Registered Valuer has made various assumptions in relation to valuation of EIL. Registered Valuer has made such assumptions, post discussions with management of the company.
- vi. It may be noted that valuation is a highly subjective exercise and may differ from Valuer to Valuer depending on the individual perception of the attendant circumstances. At best, it is an expression of opinion or a recommendation based on certain assumptions.
- vii. This Valuation report should not be construed as investment advice, specifically I do not express any opinion on the suitability or otherwise of entering into the proposed transaction.
- viii. Unless stated otherwise, industry and market data used in this report have been obtained from market research, publicly available information and industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability is not assured. Industry data used in the Report has not been independently verified. The information included in the Report about other listed and unlisted companies is based on their respective annual reports and their respective publicly available information.

Restrictions on use of the Report

- This Valuation Report is confidential and has been prepared exclusively for of EIL. It is to be considered only for the purpose of determining the fair value of proposed issue of Equity shares of EIL as at 20th September, 2023. It should not be circulated or reproduced to any other person for any purpose other than as mentioned above, without the prior consent of the Valuer. This Valuation report should not be construed as investment advice, specifically I do not express any opinion on the suitability or otherwise of entering into the proposed transaction.



Chapter 3: Information Sources

For the purpose of this report, the documents and/or information published or provided by management have been relied upon. Registered Valuer have fully relied on the information provided by the company and do not vouch for the accuracy of the information as is provided to us by the management of EIL. We have obtained sufficient information in accordance with IVS 201 - 'Scope of Work, Analyses and Evaluation', and relied on the data, facts, information, documents, and explanations as authenticated, and provided to us by the Management. The scope of this valuation included a review of the Company's historical audited financial statements, other financial and non-financial data.

Registered Valuer has relied upon the following information:

- i. Investment Details.
- ii. We have gathered trading data from BSE website and calculated weighted average numbers.
- iii. Discussions with the Management, and other quantitative and qualitative data.
- iv. Registered Valuer has also relied upon explanations and information given to us by the management of the company during the course of our exercise.
- v. The number of shares were provided by the management.



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Chapter 4: Selection of Valuation Methodology

There is no single definition of the term 'Value' that is suitable for all purposes or at all times. The value of a particular asset may vary according to different valuation methodologies that are adopted to ascertain the value for a specific purpose. Valuation of securities may sometimes involve a set of judgments and assumptions that may be subject to certain uncertainties. In the section below, Registered Valuer have discussed some of the commonly used valuation methodologies. The valuation methodology to be adopted varies from case to case depending upon different factors affecting valuation. There are a number of methodologies to value companies / businesses using historical and forecast financials of the company.

A typical valuation analysis involves review and analysis of historical financials of the company and broad comparison of the company's forecast financial projections as regards all the significant macro and micro variables like economy and industry growth rate assumptions, inflation, interest and foreign exchange rates and tax rate forecasts. Company's profitability factors (industry competitive factors and company's operating strategies and its competitive position in the industry), economies of scale and optimal capital structure also affects the business valuation of the company.

In order to value the Company, we considered three approaches to valuation, as provided under the IVS 103 - Valuation Approaches and Methods: the market approach, the income approach and the asset approach. We have reviewed and analyzed several methods and their results to determine which methods would generate the most reasonable opinion of value of the Company's operations as on the valuation. After careful consideration of each method's underlying assumptions and variables that were utilized, we concluded that the income approach, utilizing the discounted cash flow method, would provide the most appropriate indication of the fair value of the Company. A description of this method and the methods considered but not used are included within this report.

Both internal and external factors, which influence the value of the Company have been reviewed, analyzed, and interpreted. Internal factors included the Company's financial position and results of operations. External factors included, among other things, the status of the economy and the position of the Company relative to the industry.



However, the value is specific to the point in time and may change with the passage of time. In the present case, the objective of the valuation exercise is to value the Equity Shares of EIL is involved in activity of wholesale & retail sales of clothes & other materials. These activities are usually performed at the site of malls or company owned retail stores.

Among other factors, this valuation considers relevant non-financial information as listed in the IVS 201 - Scope of Work, Analyses and Evaluation, which includes the following:

- The nature, background, and history of the business;
- Facilities;
- Organizational structure;
- Management team (which may include officers, directors, and key employees);
- Classes of equity ownership interests and rights attached thereto;
- Products or services, or both;
- Prior transactions involving the subject business, or involving interests in, the securities of, or intangible assets in the subject business;
- Economic environment;
- Geographical markets;
- Industry markets;
- Competition;
- Business risks;
- Future outlook for the business;
- Strategy and future plans;
- Governmental or regulatory environment.



Chapter 5: Valuation

In case where an acquirer wants to buy shares of a listed company, the company has to come up with a public announcement of open offer after which the acquirer can buy the same. Hence, As per the Regulation 8, of the SEBI (SAST) Regulations, 2011 specifically deals with the determination of offer price of such open offer:

(1) The open offer for acquiring shares under regulation 3, regulation 4, regulation 5 or regulation 6 shall be made at a price not lower than the price determined in accordance with sub-regulation (2) or sub-regulation (3), as the case may be.

(2) In the case of direct acquisition of shares or voting rights in, or control over the target company, and indirect acquisition of shares or voting rights in, or control over the target company where the parameters referred to in sub-regulation (2) of regulation 5 are met, the offer price shall be the **highest of, –**

(a) the highest negotiated price per share of the target company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer;

(b) the volume-weighted average price paid or payable for acquisitions, whether by the acquirer or by any person acting in concert with him, during the fifty-two weeks immediately preceding the date of the public announcement;

(c) the highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the twenty-six weeks immediately preceding the date of the public announcement;

(d) the volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period, provided such shares are frequently traded;



[Provided that the price determined as per clause (d) shall not apply in the case of disinvestment of a public sector undertaking by the Central Government or a State Government, as the case may be: Provided further that this proviso shall apply only in case of a change in control in the public sector undertaking.]

(e) where the shares are not frequently traded, the price determined by the acquirer and the manager to the open offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies; and

(f) the per share value computed under sub-regulation (5), if applicable

(3) In the case of an indirect acquisition of shares or voting rights in, or control over the target company, where the parameter referred to in sub-regulation (2) of regulation 5 are not met, the offer price shall be the highest of, –

(a) the highest negotiated price per share, if any, of the target company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer;

(b) the volume-weighted average price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the fifty-two weeks immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain;

(c) the highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the twenty-six weeks immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain;



(d) the highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, between the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain, and the date of the public announcement of the open offer for shares of the target company made under these regulations;

(e) the volume-weighted average market price of the shares for a period of sixty trading days immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain, as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period, provided such shares are frequently traded;

7[Provided that the price determined as per clause (e) shall not apply in the case of disinvestment of a public sector undertaking by the Central Government or a State Government, as the case may be: Provided further that this proviso shall apply only in case of a change in control in the public sector undertaking;] and

(f) the per share value computed under sub-regulation (5).

(4) In the event the offer price is incapable of being determined under any of the parameters specified in sub-regulation (3), without prejudice to the requirements of sub-regulation (5), the offer price shall be the fair price of shares of the target company to be determined by the acquirer and the manager to the open offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.

(5) In the case of an indirect acquisition and open offers under sub-regulation (2) of regulation 5 where, –



- (a) the proportionate net asset value of the target company as a percentage of the consolidated net asset value of the entity or business being acquired;
- (b) the proportionate sales turnover of the target company as a percentage of the consolidated sales turnover of the entity or business being acquired; or
- (c) the proportionate market capitalization of the target company as a percentage of the enterprise value for the entity or business being acquired;

is in excess of fifteen per cent, on the basis of the most recent audited annual financial statements, the acquirer shall, notwithstanding anything contained in sub-regulation (2) or sub-regulation (3), be required to compute and disclose, in the letter of offer, the per share value of the target company taken into account for the acquisition, along with a detailed description of the methodology adopted for such computation.

Explanation. — For the purposes of computing the percentages referred to in clause (c) of this sub-regulation, the market capitalization of the target company shall be taken into account on the basis of the volume-weighted average market price of such shares on the stock exchange for a period of sixty trading days preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain, as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period.

- (6) For the purposes of sub-regulation (2) and sub-regulation (3), where the acquirer or any person acting in concert with him has any outstanding convertible instruments convertible into shares of the target company at a specific price, the price at which such instruments are to be converted into shares, shall also be considered as a parameter under sub-regulation (2) and sub-regulation (3).

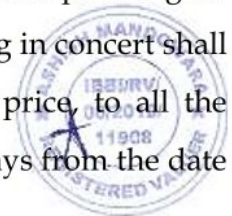


(7) For the purposes of sub-regulation (2) and sub-regulation (3), the price paid for shares of the target company shall include any price paid or agreed to be paid for the shares or voting rights in, or control over the target company, in any form whatsoever, whether stated in the agreement for acquisition of shares or in any incidental, contemporaneous or collateral agreement, whether termed as control premium or as non-compete fees or otherwise.

(8) Where the acquirer has acquired or agreed to acquire whether by himself or through or with persons acting in concert with him any shares or voting rights in the target company during the offer period, whether by subscription or purchase, at a price higher than the offer price, the offer price shall stand revised to the highest price paid or payable for any such acquisition: Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.

(9) The price parameters under sub-regulation (2) and sub-regulation (3) may be adjusted by the acquirer in consultation with the manager to the offer, for corporate actions such as issuances pursuant to rights issue, bonus issue, stock consolidations, stock splits, payment of dividend, de-mergers and reduction of capital, where the record date for effecting such corporate actions falls prior to three working days before the commencement of the tendering period: Provided that no adjustment shall be made for dividend declared with a record date falling during such period except where the dividend per share is more than fifty per cent higher than the average of the dividend per share paid during the three financial years preceding the date of the public announcement.

(10) Where the acquirer or persons acting in concert with him acquires shares of the target company during the period of twenty-six weeks after the tendering period at a price higher than the offer price under these regulations, the acquirer and persons acting in concert shall pay the difference between the highest acquisition price and the offer price, to all the shareholders whose shares were accepted in the open offer, within sixty days from the date



of such acquisition: Provided that this provision shall not be applicable to acquisitions under another open offer under these regulations or pursuant to the 28 [Delisting Regulations], or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the target company whether by way of bulk deals, block deals or in any other form.

(11) Where the open offer is subject to a minimum level of acceptances, the acquirer may, subject to the other provisions of this regulation, indicate a lower price, which will not be less than the price determined under this regulation, for acquiring all the acceptances despite the acceptance falling short of the indicated minimum level of acceptance, in the event the open offer does not receive the minimum acceptance.

(12) In the case of any indirect acquisition, other than the indirect acquisition referred in sub-regulation (2) of regulation 5, the offer price shall stand enhanced by an amount equal to a sum determined at the rate of ten per cent per annum for the period between the earlier of the date on which the primary acquisition is contracted or the date on which the intention or the decision to make the primary acquisition is announced in the public domain, and the date of the detailed public statement, provided such period is more than five working days.

(13) The offer price for partly paid up shares shall be computed as the difference between the offer price and the amount due towards calls-in-arrears including calls remaining unpaid with interest, if any, thereon.

(14) The offer price for equity shares carrying differential voting rights shall be determined by the acquirer and the manager to the open offer with full disclosure of justification for the price so determined, being set out in the detailed public statement and the letter of offer: Provided that such price shall not be lower than the amount determined by applying the percentage rate of premium, if any, that the offer price for the equity shares carrying full voting rights represents to the price parameter computed under clause (d) of sub-regulation 2, or as the case may be, clause (e) of sub-regulation 3, to the volume-weighted average



market price of the shares carrying differential voting rights for a period of sixty trading days computed on the same terms as specified in the aforesaid provisions, subject to shares carrying full voting rights and the shares carrying differential voting rights, both being frequently traded shares.

(15) In the event of any of the price parameters contained in this regulation not being available or denominated in Indian rupees, the conversion of such amount into Indian rupees shall be effected at the exchange rate as prevailing on the date preceding the date of public announcement and the acquirer shall set out the source of such exchange rate in the public announcement, the detailed public statement and the letter of offer.

(16) For purposes of clause (e) of sub-regulation (2) and sub-regulation (4), the Board may, at the expense of the acquirer, require valuation of the shares by an independent merchant banker other than the manager to the open offer or an independent chartered accountant in practice having a minimum experience of ten years.



Valuation of EIL shares:

As per SEBI (SAST) Regulations, 2011, the “frequently traded shares” means shares of a target company, in which the traded turnover on any stock exchange during the twelve calendar months preceding the calendar month in which the public announcement is required to be made under these regulations, is at least ten per cent of the total number of shares of such class of the target company

Provided that where the share capital of a particular class of shares of the target company is not identical throughout such period, the weighted average number of total shares of such class of the target company shall represent the total number of shares.

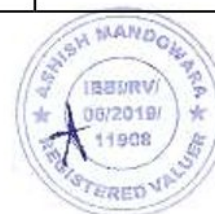
Annexure A

Total Number Of Share of the company = 20442500
10% Of The Number Of Share = 2044250

Total shares traded on BSE during the twelve calendar months preceding the calendar month in which the public announcement is required to be made are 59,54,722

Month	No.of Shares
Sep-22	9,04,419
Oct-22	5,89,483
Nov-22	2,90,523
Dec-22	7,88,668
Jan-23	3,14,400
Feb-23	3,30,137
Mar-23	7,72,259
Apr-23	2,60,188
May-23	3,42,291
Jun-23	4,97,927
Jul-23	2,59,548
Aug-23	6,04,879
Total Traded shares in last 12 months	59,54,722

Therefore the shares are frequently traded.



As per the Regulation 8, of the SEBI (SAST) Regulations, 2011 specifically deals with the determination of offer price of such open offer,) In the case of direct acquisition of shares or voting rights in, or control over the target company, and indirect acquisition of shares or voting rights in, or control over the target company where the parameters referred to in sub-regulation (2) of regulation 5 are met, the offer price shall be the highest of, – the offer price shall be the **highest of, –**

(a) the highest negotiated price per share of the target company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer;	NA
(b) the volume-weighted average price paid or payable for acquisitions, whether by the acquirer or by any person acting in concert with him, during the fifty-two weeks immediately preceding the date of the public announcement;	NA
(c) the highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the twenty-six weeks immediately preceding the date of the public announcement;	NA
(d) the volume-weighted average market price of such shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period, provided such shares are frequently traded; [Provided that the price determined as per clause (d) shall not apply in the case of disinvestment of a public sector undertaking by the Central Government or a State Government, as the case may be: Provided further that this proviso shall apply only in case of a change in control in the public sector undertaking.]	4.76 per share (working in Annexure B)



(e) where the shares are not frequently traded, the price determined by the acquirer and the manager to the open offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies;

Not Applicable, as they are frequently traded

The highest of above comes to Rs. 4.76 per share.



Annexure B

Date	Low Price	WAP	No.of Shares	Weighted Average
20-Sep-23	5.05	5.05	2,02,687	10,23,569
18-Sep-23	5.15	5.15	19,648	1,01,187
15-Sep-23	5.25	5.25	1,011	5,312
14-Sep-23	5.20	5.34	13,572	72,458
13-Sep-23	5.30	5.31	8,540	45,325
12-Sep-23	5.24	5.33	18,140	96,699
11-Sep-23	5.15	5.16	1,07,814	5,55,916
08-Sep-23	5.14	5.15	5,288	27,223
07-Sep-23	5.05	5.05	6,816	34,420
06-Sep-23	4.95	4.96	2,08,974	10,36,200
05-Sep-23	4.87	4.87	475	2,313
04-Sep-23	4.78	4.78	3,484	16,653
01-Sep-23	4.69	4.69	21,242	99,624
31-Aug-23	4.52	4.54	21,466	97,391
30-Aug-23	4.37	4.51	2,09,984	9,46,210
29-Aug-23	4.45	4.45	1,208	5,375
28-Aug-23	4.54	4.57	8,457	38,660
25-Aug-23	4.60	4.61	1,593	7,344
24-Aug-23	4.54	4.56	12,873	58,764
23-Aug-23	4.63	4.64	440	2,041
22-Aug-23	4.63	4.68	2,374	11,119
21-Aug-23	4.56	4.63	7,598	35,185
18-Aug-23	4.51	4.65	17,150	79,694
17-Aug-23	4.51	4.64	8,009	37,189
16-Aug-23	4.43	4.52	2,682	12,132
14-Aug-23	4.36	4.41	5,245	23,148
11-Aug-23	4.29	4.32	31,701	1,36,923
10-Aug-23	4.36	4.43	1,44,740	6,40,973
09-Aug-23	4.43	4.44	45,864	2,03,618
08-Aug-23	4.36	4.37	59,507	2,59,900
07-Aug-23	4.44	4.45	3,355	14,923
04-Aug-23	4.53	4.61	10,349	47,667
03-Aug-23	4.55	4.62	3,812	17,593
02-Aug-23	4.64	4.66	2,193	10,219
01-Aug-23	4.60	4.64	4,279	19,852
31-Jul-23	4.52	4.60	3,150	14,493
28-Jul-23	4.60	4.67	7,436	34,706
27-Jul-23	4.68	4.69	1,961	9,198

26-Jul-23	4.70	4.71	8,319	39,157
25-Jul-23	4.79	4.80	10,337	49,611
24-Jul-23	4.74	4.76	15,157	72,121
21-Jul-23	4.74	4.80	4,946	23,750
20-Jul-23	4.66	4.75	16,673	79,259
19-Jul-23	4.66	4.69	3,696	17,321
18-Jul-23	4.57	4.63	34,294	1,58,898
17-Jul-23	4.54	4.55	23,379	1,06,423
14-Jul-23	4.32	4.35	12,104	52,632
13-Jul-23	4.34	4.39	17,013	74,688
12-Jul-23	4.42	4.42	1,231	5,441
11-Jul-23	4.51	4.52	2,538	11,470
10-Jul-23	4.60	4.60	7,980	36,708
07-Jul-23	4.68	4.69	22,879	1,07,369
06-Jul-23	4.72	4.76	12,926	61,562
05-Jul-23	4.81	4.84	25,074	1,21,453
04-Jul-23	4.90	4.93	15,837	78,005
03-Jul-23	4.90	4.99	12,618	62,953
30-Jun-23	4.93	5.03	17,262	86,798
28-Jun-23	4.90	4.95	17,857	88,382
27-Jun-23	4.88	5.03	37,889	1,90,654
26-Jun-23	4.84	4.94	8,310	41,064
			15,63,436	74,46,935

Weighted Average Price of last 60 trading days

Total Weighted Average	74,46,935
Divided by Total Number of Shares Traded	15,63,436
Weighted Average Per Share Value	4.76



Chapter 5: Fair value of Equity Shares of EIL

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. We have no present or contemplated financial interest in Esaar. Our fees for this valuation are based upon our normal billing rates and are in no way contingent upon the results of our findings. We have no responsibility to update this report for events and circumstances occurring subsequent to the date of this report. This report is not to be copied or made available to any persons without the express written consent of Ashish Mandowara. This concept is also recognized in judicial decisions. For example, Viscount Simon said in Gold Coast Selection Trust Ltd. Vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

"If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.



Based on our study and analytical review procedures, and subject to the limitations expressed within this report, our opinion of the fair value of Equity Shares of the Company as calculated above, as on 20th September, 2023 is:

One Equity of Esaar India Limited has been rounded off to

Rupees Five only

INR 4.76/-

Ashish Mandowara



Registered Valuer: Ashish Mandowara

IBBI Registration No.: IBBI/RV/06/2019/11908

ICAI RVO Registration No.: ICAIRVO/06/RV-P00132/2019-20

ICAI MN. - 140714

UDIN - 23140714BGVJRE2237

Date: 21st September, 2023

Place: Mumbai