

**Valuation Report for the purpose of Regulation 164 and 166A ICDR
for Preferential Issue of Convertible Warrants of**

SRESTHA FINVEST LIMITED

CIN: L65993TN1985PLC012047

Regd. Office: DOOR NO.19 & 20, GENERAL MUTHIAH MUDALI STREET
SOWCARPET, Chennai, CHENNAI, Tamil Nadu, India, 600003

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Prepared by

MANISH SANTOSH BUCHASIA

IBBI REGISTERED VALUER

Assets class: Securities or financial assets

RV Reg. no: IBBI/RV/03/2019/12235

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To,

The Board of Directors,

SRESTHA FINVEST LIMITED

**DOOR NO.19 & 20, GENERAL MUTHIAH MUDALI STREET SOWCARPET,
Chennai, CHENNAI, Tamil Nadu, India, 600003**

Ref: Independent Fair Valuation of SRESTHA FINVEST LIMITED ("SFL" or Company") as on relevant date i.e., 09th Oct, 2024 as per SEBI (ICDR) Regulations for the purpose of Preferential Issue of Convertible Warrants.

We have been engaged by **SRESTHA FINVEST LIMITED ("SFL" or "Company")** for the purpose of assessing fair value of equity shares as of the relevant date i.e. **09th Oct, 2024** of the Company, a company registered under the Companies Act, 1956 and having its Registered office at **DOOR NO.19 & 20, GENERAL MUTHIAH MUDALI STREET SOWCARPET, Chennai, CHENNAI, Tamil Nadu, India, 600003**

The underlying transaction is the preferential issue of shares of Company to certain investors. The Company is frequently traded company listed on BSE In terms of Regulation 166A read with Regulation 164 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, a preferential issue, which may result in a change in control or allotment of more than 5 % of the post issue fully diluted share capital of an issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and should be considered for determining the issue price.

Based on the information provided by the management, I, **MANISH SANTOSH BUCHASIA**, Registered Valuer (Regn no: IBBI/RV/03/2019/12235), hereby certify that I have arrived at the "Fair Value" ("Valuation" or "Value") of the Company as at the relevant date i.e. **09th Oct, 2024**. Based on our assessment, the Value of the shares of the company should be **INR 1.01 (One Rupee One paisa only) per share**. The computation of Fair value of the Company has been attached as Annexure.



RV MANISH SANTOSH BUCHASIA
IBBI REGISTERED VALUER

Assets class: Securities or financial assets

RV Reg. no: IBBI/RV/03/2019/12235;

Date: 09/10/2024



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1. EXECUTIVE SUMMARY

SRESTHA FINVEST LIMITED (“company”) is a public limited company registered under the provisions of the Companies Act, 1956.

The company has engaged us to provide an Independent fair valuation of the shares of SRESTHA FINVEST LIMITED as per Regulations 164 and/or 165 (as applicable) of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018 (“ICDR”).

Accordingly, the valuation of the Equity Shares of the Company is arrived at basis higher of the following:

- a. the 90 trading days of the volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date i.e. from 30th May, 2024 to 8th October 2024; or
- b. the 10 trading days of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date i.e. from 24th September, 2024 to 8th October 2024 .

The above is based on data available on the BSE, being the recognised stock exchange in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the relevant date. The standard of value used in our valuation of Equity Share of the Company is **in accordance with Regulation 164 of the ICDR.**

Based on our analysis of the company and subject to our comments and caveats as further detailed in this report, we have arrived at the “Independent Fair Value” of the equity shares of the Company.

2. BACKGROUND INFORMATION

SRESTHA FINVEST LIMITED was incorporated on 22/07/1985 with the Registrar of Companies, Chennai. The Corporate Identification Number of the Company is L65993TN1985PLC012047 and registered office is situated at DOOR NO.19 & 20, GENERAL MUTHIAH MUDALI STREET SOWCARPET, Chennai, CHENNAI, Tamil Nadu, India, 600003.

Stock Price Information:

ISIN: INE606K01049

CIN: L65993TN1985PLC012047

BSE: SRESTHA | 539217



Trading information: Frequently traded (Annexure “B”) volume weighted average price of 90 trading days and 10 trading days "BSE".

The Board of Directors of the Company is as follows

DIN/DPIN/PAN	Full Name	Designation	Date of Appointment
*****5747M	SUNIL BHANDARI	CFO	17/10/2022
03120545	SUNIL BHANDARI	Whole-time director	17/10/2022
*****7533J	JITENDRA KUMAR ASHKARAN BAFNA	Company Secretary	27/01/2020
09234993	MAYURDWAJSINH SAHADEVSIKH RANA	Director	22/10/2021
09269488	SAHADEVSIKH BABUBHA RANA	Director	22/10/2021
02470150	SITABEN S PATEL	Director	28/10/2021
06826543	UMESHBHAI HIRJIBHAI PADARIYA	Director	07/10/2022

3. PURPOSE OF VALUATION AND APPOINTING AUTHORITY:

Based on the discussions held with the management and Key Managerial Personnel (KMP's), company is proposing Preferential Issue of Convertible Warrants. The Equity shares of the company are listed on BSE Limited and are frequently traded. In terms of Regulation 166A read with Regulation 164 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018 ('SEBI (ICDR) Regulations'), a preferential issue, which may result in a change in control or allotment of more than 5 % of the post issue fully diluted share capital of an issuer, to an allottee or to allottees acting in concert, shall, besides the market price, requires valuation from an independent registered valuer and should be considered for determining the issue price. Thus, we, being Registered Valuers, have been appointed as per the appointment letter dated 09/10/2024. We are issuing this certificate for the purpose of compliance with the Chapter V of SEBI (ICDR) Regulations.

The company is looking to assess its Independent fair value of equity shares in accordance with Regulations 164 and/or 165 (as applicable) of the ICDR.

Since Regulation 164 deals with frequently traded shares and corresponding regulation 165 deals with infrequently traded shares, we have assessed them together based on the circumstances given in this case.



The relevant extract of the rules 164 and 165 are as under:

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 day's volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

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

a) the price at which equity shares were issued by the issuer in its initial public offer or the value per share arrived at in a scheme of compromise, arrangement and amalgamation under sections 230 to 234 the Companies Act, 2013, as applicable, pursuant to which the equity shares of the issuer were listed, as the case may be; or

b) the average of the volume weighted average prices of the related equity shares quoted on the recognised stock exchange during the period the equity shares have been listed preceding the relevant date; or

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

(3) *Where the price of the equity shares is determined in terms of sub-regulation (2), such price shall be recomputed by the issuer on completion of 90 trading days from the date of listing on a recognised stock exchange with reference to the 90 trading days volume weighted average prices of the related equity shares quoted on the recognised stock exchange during these 90 trading days and if such recomputed price is higher than the price paid on allotment, the difference shall be paid by the allottees to the issuer.*

(4) *A preferential issue of specified securities to qualified institutional buyers, not exceeding five in number, shall be made at a price not less than the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.*

(5) *For the purpose of this Chapter, "frequently traded shares" means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the 240 trading days preceding the relevant date is at least ten per cent of the total number of shares of such class of shares of the issuer:*

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

Explanation: For the purpose of this regulation, 'stock exchange' means any of the recognised stock exchange(s) in which the equity shares of the issuer are listed and in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the relevant date.

Pricing of Infrequently traded shares

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 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.

Other conditions for pricing

166A. *(1) Any preferential issue, which may result in a change in control or allotment of more than five percent 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:

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.

(2) Any preferential issue, which may result in a change in control of the issuer, shall only be made pursuant to a reasoned recommendation from a committee of independent directors of the issuer after considering all the aspects relating to the preferential issue including pricing, and the voting pattern of the said committee's meeting shall be disclosed in the notice calling the general meeting of shareholders.

4. IDENTITY OF THE VALUER AND ANY OTHER EXPERTS INVOLVED IN THE VALUATION:

- RV Manish Santosh Buchasia
- IBBI Registered Valuer Assets class: Securities or financial assets
- RV Reg. no: IBBI/RV/03/2019/12235.

5. DISCLOSURE OF VALUER INTEREST/INTEREST CONFLICT (IF ANY):

We hereby certify that the valuer(s) is/are suitably qualified and authorized to practice as a valuer; does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the company (including the parties with whom the company is dealing, including the lender or selling agent, if any). The valuer(s) accept instructions to value the company only from the appointing authority or eligible instructing party.

We have no present or planned future interest in SRESTHA FINVEST LIMITED or its group companies, if any and the fee payable for this valuation is not contingent upon the value of shares reported herein

6. DATE OF APPOINTMENT, VALUATION DATE AND DATE OF REPORT:

Date of appointment	09/10/2024
Relevant date	09/10/2024
Date of report	09/10/2024

7. INSPECTIONS AND/OR INVESTIGATIONS UNDERTAKEN

The Valuation of the Company is being done as on the Valuation Date considering the 90 Trading days (i.e., from 30th May, 2024 to 8th October 2024) and 10 trading days (from 24th September, 2024 to 8th October 2024) BSE Volume weighted average price and documents produced before us for the purpose of ascertaining the Independent fair value of equity shares of the Company.

We have relied on accuracy and completeness of all the information and explanations provided by the management. We have not carried out any due diligence or independent verification or validation to establish its accuracy or sufficiency. We have received representations from the management and have accordingly assessed the fair value of the company. We believe that given the nature of the valuation and the underlying reports made available to us, it is plausible to carry out such valuation.



8. SOURCES OF INFORMATION:

In the course of performing the valuation, we have relied on the following sources:

- i. Background documents and information on the company;
- ii. Volume weighted average price for a period of 90 Trading days (i.e., from 30th May, 2024 to 8th October 2024) and 10 trading days (from 24th September, 2024 to 8th October 2024) for the Equity Shares of the Company quoted on BSE and its average.
- iii. Audited Balance sheet as on 31st March 2024, 2023 and 2022
- iv. Verbal information and discussions with the management.
- v. Data/Information of other comparable companies from BSE Limited
- vi. Data/Information of other comparable companies from Website of Reserve Bank of India (RBI)
- vii. Other related information from various sources
- viii. Information from BSE website and Ministry of Corporate Affairs (MCA) Website.

We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us; we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Company.

9. RESTRICTIONS ON USE OF THE REPORT:

This Valuation Report has been issued on the specific request of the management for the Value of the Company as on 09/10/2024.

Specific Purpose:

Valuation analysis and its results are specific to the purpose of valuation as mentioned in the section “**Purpose of Valuation**”. It may not be relevant for any other purpose or entity. This Report is prepared exclusively for the above stated purpose and must not be copied, disclosed or circulated or referred to in correspondence or discussion with any other party. Neither this report nor its content may be used for any other purpose without our prior written consent.

Not an advice to buy or sell:

The analysis in this report is based on the information provided by the management and such information as is obtained from market sources. However, our report is not advising anybody to take a buy or sell decision, for which specific opinion may be required from experts.



10. CAVEATS, LIMITATIONS AND DISCLAIMERS:

Valuation date:

The valuation of the Company contained herein is not intended to represent at any time other than the date that is specifically stated in this report. We have no responsibility to update this report for events and circumstances occurring after the valuation date.

Reliance on information provided:

We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us; we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Company. In the course of the valuation exercise, we have obtained both oral and written data, including market, technical, operational and financial information. We have evaluated such information through a broad comparative analysis and enquiry.

Actual results may differ:

The assumptions used in their preparation, as we have been explained, are based on the management's present expectation of both – the most likely set of future business events and the management's course of action related to them. Wherever we have not received details information from the management, we have used our assessment of value based on experiences and circumstances of the case. It is usually the case that some events and circumstances do not occur as expected or are not anticipated.

Questions or appearances:

Our engagement is limited to preparing the report to be submitted to the management. We shall not be liable to provide any evidence for any matters stated in the report nor shall we be liable or responsible to provide any explanation or written statement for any assumption, information, methodology or any other matter pertaining to the report.

Complete report:

This report shall at all times be read and interpreted in full, no part of it shall be read independently for any reason whatsoever.

11. VALUATION: PROCEDURES AND FACTORS:

The valuation exercise is aimed at the assessment of the Fair Value of the company. We are required to arrive at the above valuations based on internationally accepted valuation practices.

As per **RICS appraisal Manual**, the Fair Value (FV) is defined 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 measurement date.'*

Ind AS (113) as well as IFRS 13 defines fair value 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 measurement date.

Approach and Methodology

Valuation is not an exact science and is dependent on various factors such as specific nature of business, economic life cycle in which the industry and company is operating, past financial performance of the business, future growth potential of the business, business model, management of the company, relevance of technology in the business model, liquidity of equity and much more. The results of the valuation exercise may vary significant depending on the basis used, the specific circumstances and the judgement of the valuer. In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue.

IVS 105 read with IVS 200 specifies that generally the following three approaches for valuation of business/business ownership interest are used:

- I. Cost Approach - Net Asset Value (NAV)
- II. Income Approach
- III. Market Approach.

I. Cost Approach - Net Asset Value (NAV)

The value under Cost Approach is determined based on the underlying value of assets which would be on book value basis, replacement cost basis or on the basis of Realizable value. The Net Assets Method represents the value with reference to historical cost of assets owned by the company and the attached liabilities on particular date. Net asset will be calculated starting from the total assets of the company and deducting there from all debts, borrowing and liabilities, including current and Likely contingent Liability and preference capital if any. In other words, it should represent true net worth of business after providing for all outside present and potential liabilities. In the case of companies, the net assets value calculated from assets side of the balance sheet in the above manner will be crossed checked with equity share capital plus free reserve and surplus, less likely contingent liabilities.

We have considered the above approach as the said method derives the value with reference to historical cost of assets owned by the company and the attached liabilities on particular date as detailed in *Annexure-“I”*.

II. Income Approach

Under income approach there are mainly two methods

1. Discounted Cash Flows (DCF) method
2. Profit-earning capacity value method

1. Discounted Cash Flows (DCF) method

Under DCF method, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalization. DCF method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. Free Cash Flow to Firm (FCFF) represents the cash flows available for distribution to both the owners and other creditors of the business. Risk-adjusted discount rate or Weighted Average Cost of Capital (WACC) is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & bank balances and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the company.

I have not considered the above approach due to unavailability of future projections of company.

2. Profit-earning capacity value method

Under profit-earning capacity value method, the profit-earning capacity value will be calculated by capitalising the average of the after-tax profits at the following rates;

- I. 15% in the case of manufacturing companies.
- II. 20% in the case of trading companies.
- III. 17.5% in the case of “intermediate companies”, that is to say, companies whose turnover from trading activity is more than 40%, but less than 60% of their total turnover.

The crux of estimating the profit-earning capacity value lies in the assessment of the future maintainable earnings of the business. While the past trends in profits and profitability would serve as a guide, it should not be overlooked that the valuation is for the future and that it is the future maintainable stream of earnings that is of greater significance in the process of valuation. All relevant factors that have a bearing on the future maintainable earnings of the business must, therefore, be given due consideration.

The detailed price working under this method is marked as **Annexure- "2"**

III. Market Approach:

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

The following valuation methods are commonly used under the market approach:

- a) Market Price Method;
- b) Comparable Companies Multiple (CCM) Method; and
- c) Comparable Transaction Multiple (CTM) Method;

a) Market Price Method

Under this method a valuer shall consider the traded price observed over a reasonable period while valuing assets which are traded in the active market. A valuer shall also consider the market where the trading volume of asset is the highest when such asset is traded in more than one active market. A valuer shall also consider the market where the trading volume of asset is the highest when such asset is traded in more than one active market.

The Equity Shares of Company are listed on BSE for a period of more than 90 trading days as on the relevant date i.e. Oct 9, 2024 and are frequently traded in accordance with SEBI ICDR Regulations.

In case of “frequently traded shares (Regulation 164(1) of the SEBI ICDR Regulations:

If the equity shares of the Company 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;

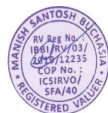
- a. the 90 trading days’ volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or
- b. the 10 trading days’ volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant 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.

Articles of Association of the Company do not provide for any particular method of determination which results in a floor price higher than that determined under SEBI ICDR Regulations.

Accordingly, we have determined value of equity share of the company as prescribed under the above regulations for market approach.

We have considered this method for valuation of equity shares of company as detailed in **Annexure- “3”**.



b) Comparable Companies Multiple (CCM) Method

Comparable Companies Multiple Method, also known as Guideline Public Company Method, involves valuing an asset based on market multiples derived from prices of market comparable traded on active market. Under this method, the value of shares of the subject company is determined on the basis of multiples derived from valuations of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. The CCM Method arrives at the value of the company by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based in the principle that market valuations, taking place between informed buyers and sellers, incorporate all factors relevant to valuation.

We have considered this method for valuation of equity shares of company. We have applied Price to Earning (P/E) and Price to Book Value (P/B) multiples for computation of fair value as detailed in **Annexure- “4”**.

c) Comparable Transaction Multiple (CTM) Method

Comparable Transaction Multiple Method, also known as ‘Guideline Transaction Method’ involves valuing an asset based on transaction multiples derived from prices paid in transactions of asset to be valued /market comparable (comparable transactions). We have therefore not considered CTM method for valuation due to non-availability of similar comparable transaction.

12. VALUATION ANALYSIS:

The value per equity share of the company are based on the various approaches/methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the business of the Companies, having regard to information base, key underlying assumptions and limitations. We have applied all the methods discussed above, as considered appropriate, i.e. Cost Approach method, Profit earning capacity value Method, Market Price Method and Comparable Companies Multiple Method and for determining value per share of the company.

In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined herein above referred to earlier in this report for the proposed transaction, We recommend the fair value of equity shares of SFL at **INR 1.01 (One Rupee One paisa only) per equity share**.

In terms of first Proviso to the Sub-Regulation 1 of Regulation 166A and Regulation 164 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) and by using the Valuation Parameters, the following is the Valuation Analysis of Equity Shares of the Company.

Sr. No.	Valuation Parameters	Value per Equity Share (in Rupees)
1.	Net Asset Value Method	1.16
2.	Profit Earning Capacity Value Method	0.02
3.	Market Price Method	1.01
4.	Comparable Companies Multiple (CCM) Method	1.42

For, detailed working calculation of Value of Equity Share, please refer;

Annexure 1 - For Net Asset Value Method

Annexure 2 - For Profit Earning Capacity Value Method

Annexure 3 - For Market Price Method

Annexure 4 - For Comparable Companies Multiple Method

For arriving at the value of per equity share of SFL and considering valuation inputs available for determining valuation under NAV method, Profit Earning Capacity Value Method, Market Price Method and Comparable Companies Multiple Method, we have applied weights to arrive at the value per equity share of SFL. (i.e. 70% weightage to Market Price method as equity shares of the company are frequently traded and this method depicts accurately reflects the intrinsic value of the share. Further, the company in the financial year 2023-24 has earned good profit as compared to losses in past years and thus 10% weightage is given to PECV method as this method provides fair value of equity share considering an estimate of future maintainable profits. We have given 10% weightage to Net Asset Value Method as the value derived from this method resembles true net worth of business after providing for all outside present and potential liabilities and also 10% weightage to Comparable Companies Multiple Method as the shares of the company are frequently traded and the value of shares derived from this method are determined on the basis of multiples derived from valuations of comparable companies.

Sr. No.	Method	Value per equity share (in Rs.)(A)	Weights (B)	Weighted (C=A*B)
(a)	Net Asset Value Method	1.16	10%	0.12
(b)	Profit Earning Capacity Value Method	0.02	10%	0.002
(c)	Market Price Method	1.01	70%	0.71
(d)	Comparable Companies Multiple (CCM) Method	1.42	10%	0.14
TOTAL(D)			1	0.97
Floor price (In Rupees)				1.01



13. CONCLUSION:

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the documents available with me but which will strongly influence the worth of a Shares and Debentures.

In the light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined in this report, I conclude that the Floor Price of the Equity Share of the Company having Face Value of Rupee 1.00 each in terms of first Proviso to the Sub-Regulation 1 of Regulation 166A of the SEBI ICDR Regulations and in terms of the Regulation 164 of the SEBI ICDR Regulations as at Relevant date ***is Rs. 1.01/- (One Rupee One paisa only).***

Further, as per second proviso to Regulation 166A of SEBI (ICDR) Regulations, 2018, 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. Accordingly, in this proposed preferential issue it is being informed by the management of the company that there is no change in control of the issuer and therefore there is no requirement for covering control premium over the price determined hereinabove.



Annexure “1”

(i) Net Asset Value per share of SRESTHA FINVEST LIMITED

Particular	(31.03.2024) Amount in lakh
LIABILITIES	
Share Capital	11600
Reserve and Surplus	1936.58
Long Term Provisions	186.9
Deferred tax liabilities	471.28
Other non financial liabilities	39.52
Short-term Borrowings	4967.88
Trade Payables	135.43
TOTAL	19337.6
ASSETS	
Property, plant & equipment	249.97
Other non financial assets	903.79
Other financial assets	75.85
Investment	5901.76
Cash and cash equivalents	965.54
Short-term Loans and Advances	11240.69
TOTAL	19337.6
NET ASSET VALUE	13536.58
NET ASSET VALUE in Rs.	1353658000
No. of shares (Face value @2 Rs.)	1160000000*
Book value in Rs. (NET ASSET VALUE/No. of Shares)	1.16
<i>*The shareholders of the company through Postal Ballot on September 05, 2024 approved sub-division of the face value of equity share of the company and accordingly w.e.f. 23/09/2024 the face value of equity share has been sub-divided from Rs.2/- each to Re.1/-each. Thus, to arrive at book-value per equity share of the company, the effect of sub-division has been given.</i>	



Annexure- “2”

Profit Earning Capacity value (PECV)

For the year ended on:	Weight	PAT in lacs	Details
31-03-2024	0.7	173.86	0.7
31-03-2023	0.15	-497.41	0.15
31-03-2022	0.15	-4.05	0.15
Average Profit after Tax			46.48
No. of equity shares(in lacs) *			11600.00
Average EPS			0.00
Capitalization rate of Industry @			20.00
PECV based Equity Value per Share			0.0200358

Note: We are giving average to the financial year in accordance with PAT of respective year. Higher the PAT higher the weighted average vice versa.

Capitalization rate: <http://www.corporatevaluations.in/doc/pdf/CCI%20Guidelines.pdf>

****The shareholders of the company through Postal Ballot on September 05, 2024 approved sub-division of the face value of equity share of the company and accordingly w.e.f. 23/09/2024 the face value of equity share has been sub-divided from Rs.2/- each to Re.1/-each.***



ANNEXURE “3”:
Volume Weighted Average Price BSE “90 Trading days”

S. No.	Date	No. of Shares	Total Turnover (Rs.)
1	08-Oct-24	8041881	7210041
2	07-Oct-24	40021818	37172234
3	04-Oct-24	21696699	19251459
4	03-Oct-24	16444870	13864260
5	01-Oct-24	16575975	13396222
6	30-Sep-24	28103241	21736931
7	27-Sep-24	14633450	10977081
8	26-Sep-24	7041380	5506734
9	25-Sep-24	8439924	6932662
10	24-Sep-24	14094879	12278174
11	23-Sep-24	25514001	22908952
12	20-Sep-24	46722044	40291831
13	19-Sep-24	35411680	28538565
14	18-Sep-24	24878440	20295800
15	17-Sep-24	27343162	22951984
16	16-Sep-24	28651528	24661398
17	13-Sep-24	58053598	50569260
18	12-Sep-24	45235384	40305835
19	11-Sep-24	25945326	23062911
20	10-Sep-24	37759160	33713797
21	09-Sep-24	57421158	52582305
22	06-Sep-24	14791118	14125517
23	05-Sep-24	33966222	34031837
24	04-Sep-24	21685464	22462867
25	03-Sep-24	29343948	28874844
26	02-Sep-24	46279428	43558728
27	30-Aug-24	79113938	75799336
28	29-Aug-24	34151584	33123270
29	28-Aug-24	35663316	35746502
30	27-Aug-24	31507024	32495369
31	26-Aug-24	37227464	38429835
32	23-Aug-24	34939322	37068863
33	22-Aug-24	28459048	31350542
34	21-Aug-24	29975444	34052008
35	20-Aug-24	39591418	45056700
36	19-Aug-24	52753808	61643894
37	16-Aug-24	69415706	77691718



S. No.	Date	No. of Shares	Total Turnover (Rs.)
38	14-Aug-24	21388220	22627382
39	13-Aug-24	24669680	24867073
40	12-Aug-24	22716824	23226316
41	09-Aug-24	35159848	35437116
42	08-Aug-24	37365838	37835376
43	07-Aug-24	30161210	31448251
44	06-Aug-24	103841392	108739636
45	05-Aug-24	48956364	52628091
46	02-Aug-24	111235514	125395809
47	01-Aug-24	85270268	93317852
48	31-Jul-24	7262936	7989229
49	30-Jul-24	16378112	19278099
50	29-Jul-24	31590834	36823082
51	26-Jul-24	69935586	88608088
52	25-Jul-24	89797238	111642641
53	24-Jul-24	92515030	108172190
54	23-Jul-24	24544746	27898993
55	22-Jul-24	25973724	29395905
56	19-Jul-24	8191250	9551832
57	18-Jul-24	13629982	16561558
58	16-Jul-24	19689928	23100188
59	15-Jul-24	9552656	10824274
60	12-Jul-24	18215634	20281656
61	11-Jul-24	26402180	28617532
62	10-Jul-24	15677494	17500063
63	09-Jul-24	12348804	13571704
64	08-Jul-24	18094118	18629911
65	05-Jul-24	12451910	12603829
66	04-Jul-24	16768030	16648147
67	03-Jul-24	16542744	16764272
68	02-Jul-24	3629670	3556563
69	01-Jul-24	8989858	8272500
70	28-Jun-24	4252150	3805674
71	27-Jun-24	4284132	4028956
72	26-Jun-24	14386550	14358963
73	25-Jun-24	15538956	16399374
74	24-Jun-24	19987618	21433742
75	21-Jun-24	24789054	26859835
76	20-Jun-24	42349954	43431723
77	19-Jun-24	38246216	37538753
78	18-Jun-24	131248556	135072869



S. No.	Date	No. of Shares	Total Turnover (Rs.)
79	14-Jun-24	11216462	10169645
80	13-Jun-24	15020912	13489888
81	12-Jun-24	35911046	30670429
82	11-Jun-24	6493866	5278176
83	10-Jun-24	31967626	26253915
84	07-Jun-24	3438728	2440243
85	06-Jun-24	1587058	1152526
86	05-Jun-24	2252704	1693452
87	04-Jun-24	8346820	6346963
88	03-Jun-24	15961022	12153432
89	31-May-24	3923088	2532340
90	30-May-24	416444	252993
		2717460434*	2770899315
			1.01

**Number of shares have been increased from 22nd September, 2024 to 30th May, 2024 to show the effect of subdivision of face value of equity share as the shareholders of the company through Postal Ballot on September 05, 2024 approved sub-division of the face value of equity share of the company and accordingly w.e.f. 23/09/2024 the face value of equity share has been sub-divided from Rs.2/- each to Re.1/-each.*

Volume Weighted Average Price BSE “10 Trading days”

S. No.	Date	No. of Shares	Total Turnover (Rs.)
1	08-Oct-24	8041881	7210041
2	07-Oct-24	40021818	37172234
3	04-Oct-24	21696699	19251459
4	03-Oct-24	16444870	13864260
5	01-Oct-24	16575975	13396222
6	30-Sep-24	28103241	21736931
7	27-Sep-24	14633450	10977081
8	26-Sep-24	7041380	5506734
9	25-Sep-24	8439924	6932662
10	24-Sep-24	14094879	12278174
		175094117	148325798
			0.84

A	Average of 90 trading days VWAP	1.01
B	Average of 10 trading days VWAP	0.84
C	Applicable Minimum Price (Higher of the A or B)	1.01

