CA. PRAGADEESHKANNA M, B.Com, FCA, DISA (ICAI)
Registered Valuer - Securities or Financial Assets
Regd. No. : IBBI / RV / 06 / 2019 / 11150

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To,
The Board of Directors,

APURVA NATVAR PARIKH & COMPANY PRIVATE LIMITED
411-B, Hemu Kalani Marg,
Near Bhakti Bhavan, Chembur,
Mumbai - 400 071, Maharashtra.

RAPG Developments Private Limited
96, Chembur Mankhurd Link Road,
Chembur, Mumbai - 400043

Dear Sir,

In accordance with your request, confirmed in our engagement letter dated 03rd January 2024, we have prepared one consolidated report on fair valuation of equity shares to determine the number of equity shares to be issued to shareholders of Apurva Natvar Parikh & Company Private Limited ("Company No.1" or "ANPCL") and (a) RAPG Developments Private Limited, ("Company No.2" or "the RDPL") on account of demerger.

Our Valuation Report is for the limited purpose of ascertaining the fair value of the equity shares of the Company No.1 and Company No.2 for determining the number of equity shares to be issued upon proposed demerger between ANPCL and RAPG.

This report is based on the latest information made available to us as validated and approved by the Key Management Team of the Companies involved in the proposed restructuring. We accept no responsibility to update it for events that take place after the date of its issue of the report.

The basis for arriving at the Fair value of the Shares and the proposed swap ratios are from information supplied by and from discussions with the management on various occasions. We have not verified the accuracy, reliability or completeness of the information supplied and the procedures that we used to perform the work did not constitute an audit or review made under any generally accepted auditing standards.

Our report is structured under the following broad heads:

1. Company Overview
2. Valuation Methodology
3. Valuation Analysis
4. Swap Ratio Analysis
5. Statement of Limiting Conditions

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1. COMPANY OVERVIEW

a) **Apurva Natvar Parikh & Company Private Limited** is a Private Limited Company incorporated on 29th June 1959 under the Companies Act, 1956 and the Rules thereunder in the State of Maharashtra. The corporate identification number of ANPCL is U63010MH1959PTC011380. The registered office of ANPCL is located at 411-B, Hemu Kalani Marg, Near Bhakti Bhavan, Chembur, Mumbai - 400 071, Maharashtra.

b) **RAPG Developments Private Limited,** is a private limited company incorporated (upon conversion) on 29th August, 2023 under the Companies Act, 2013 and the Rules thereunder in the State of Maharashtra. The corporate identification number of RDPL is U85212MH2023PTC409512. The registered office of RDPL is located at 96, Chembur Mankhurd Link Road, Chembur, Mumbai - 400043].

2. SHARE CAPITAL STRUCTURE OF THE COMPANIES

A) Apurva Natvar Parikh & Company Private Limited

The authorized, issued, subscribed and paid-up share capital of the Demerged Company as on 30th November 2023 is as under:

Particulars	(Amount in Rs.)
Authorised Capital	
30,000 Equity Shares of Rs.1000 each	3,00,00,000
Issued and Subscribed and Paid Up	
30,000 Equity Shares of Rs1000 each	3,00,00,000

The shareholding pattern of Company No.1 as on 30th November 2023 is as under:

Sl.no	Name of the Shareholder	No. of shares
1	Mr. Apurva N. Parikh	8,552
2	Mrs. Neela A. Parikh	6,448
3	Mr. Romil A. Parikh	6,991
4	Ms. Anuja Parikh	1,018
5	Rohan Parikh HUF	6,991
	TOTAL	**30,000**

B) RAPG Developments Private Limited

The authorized, issued, subscribed and paid-up share capital of Company No.2 as on 30th November 2023 is as under:

Particulars	(Amount in Rs.)
Authorised Capital	
1,00,000 Equity Shares of Rs.1000 each	10,00,00,000
Issued and Subscribed and Paid Up	
87,412 Equity Shares of Rs.1000 each	8,74,12,000

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The shareholding pattern of Company No.2 as on 30th November 2023 is as under:

Sl.no	Name of the Shareholder	No. of shares
1	Mr. Apurva N. Parikh	40,552
2	Mrs. Neela A. Parikh	17,012
3	Mr. Romil A. Parikh	14,924
4	Mr. Rohan A. Parikh	14,924
	Total	**87,412**

3. SCHEME OF ARRANGEMENT FOR DEMERGER

The Board of Directors of Company No.1/ANPCL and Company No.2/RDPL have decided to demerge and transfer the Construction Education Retail and Warehousing Business from Company No.1/ANPCL to Company No.2/RDPL and thereafter demerge and transfer the Hospitality Business (defined hereinafter) of Company No.2/RDPL to Company No.1/ANPCL for the following reasons:

(i) Over the last few years, differences in outlook and direction have arisen between members of the Family. In order to amicably resolve the said differences and to preserve the unity and harmony of the Family, the Family has agreed to divide and distribute the assets and businesses between the members of the Family and provide to each of them, so far as possible, independence and security for the future.

(ii) Given that the business is being carried on and assets are held through the instrumentality of Company No.1/ANPCL, Company No.2/RDPL and several other Family held entities, the Family agreed and is of the view that this shall be best achieved by *inter alia* restructuring and demerging both, Company No.1/ANPCL and Company No.2/RDPL such that the Construction Education Retail and Warehousing Business shall be demerged/ hived off and transferred from Company No.1/ANPCL to Company No.2/RDPL and thereafter the Hospitality Business of Company No.2/RDPL shall be demerged/ hived off and transferred from Company No.2/RDPL to Company No.1/ANPCL. Remaining Business Untertaking of Company No.1/ANPCL (defined hereinafter) shall continue to remain in Company No.1/ANPCL and Remaining Business Undertaking of Company No.2/RDPL (defined hereinafter) shall continue to remain in Company No.2/RDPL;

(iii) Facilitate focussed growth, operational efficiencies, business synergies and increased operational and customer focus in relation to both ANPCL as well as RDPL;

(iv) Provide a platform for having a concentrated approach thereby resulting in better strategic, operational and administrative efficiency of both ANPCL and RDPL;

(v) Better management of business operations of the respective divisions based on the size of operations and other characteristics.

(vi) Focused business approach to the respective lines of businesses,

(vii) Enabling flexibility of operations, raise funds and/ or monetization for future growth.

(viii) Both the Undertakings are capable of attracting a different set of investors, strategic partners, lenders and other stakeholders and would further enhance the shareholders' wealth.

(ix) More focused management and greater visibility on the performance of individual business.

(x) Right sizing of entities and operations, which would facilitate debt raising from financial institutions.

(xi) Seek better investment opportunities for different undertakings / business actions of the companies.

(xii) Enhance value for shareholders of ANPCL and RDPL and allow a focussed strategy which would be in the best interest of ANPCL and RDPL and their respective shareholders, creditors and all persons concerned.

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4. VALUATION METHODOLOGY

Valuation by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment.

Given the same set of facts and using the same assumptions, expert opinions may differ due to the number of separate judgments and decisions. There can, therefore, be no standard formulae to establish an indisputable value, although certain formulae are helpful in assessing reasonableness.

The internationally / generally accepted valuation methodologies have been discussed hereinafter, along with the reasons for choice of approach used based on the facts of the Company.

The valuation exercise involves selecting an approach through the exercise of judgment on the basis of facts and circumstances as applicable to the business to be valued.

There are four generally accepted approaches to valuation:
"Asset" Approach
"Income" Approach
"Market" Approach
"DCF" Approach

Asset Approach

The Asset approach focuses on the net worth or net assets of a company. In the Net Assets Value (NAV) Method, widely used under the Cost approach, the assets and liabilities are considered as stated at their book values.

The net assets, after reducing the dues to the preference shareholders, and contingent liabilities, if any, represent the value of the company to the equity shareholders.

This valuation approach is mainly used in case where the firm is to be liquidated or in case where the assets base dominates earnings capability. Book value of the fixed assets as Land and Building and any investments can be substituted with the Fair value as on the date of Valuation.

Income Approach

The income approach is the most commonly used methodology for valuation under "Going Concern" basis. The Income approach focuses on the income generated by the Company as well as its future earning capability. The Income approach to valuation includes methods such as Income Capitalization Method, Discounted Cash Flow (DCF) Method.

Market Approach

Under the "Market" Approach, the market price of an equity share as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded.

The market value generally reflects the investors' perception about the true worth of the company. The dilution impact on account of conversion of convertible instrument is factored while calculating equity value per share.

The market approach has not been considered since the shares of the Company are not traded in any recognized stock exchange in India.

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Target Capitalization Approach

The application of any particular method of valuation depends on the circumstance under which valuation is carried out, operations of the company, nature of its business and purpose of the valuation. At any point of time, different values may exist for different purposes.

Considering the nature of business of ANPCL and RAPG, in our view it would not be appropriate, to arrive at the valuation of the equity shares based on above 3 methods.

Since the shareholders are common, the Management have represented that the target share capital of ANPCL and RAPG post issue of shares, on demerger should satisfy the following -

1. All the shareholders of Company No.1 and shareholders of Company No.2 should hold shares in the same ratio in both the companies.
2. Total number of shares and value of share capital to be equal in both ANPCL and RAPG

5. VALUATION ANALYSIS

Key dates:

Appointment Date: I have been appointed by the management wide letter dated on 03rd January 2023.

Valuation Date: The value of the company should be considered to the value as on 30th November 2023.

Report Date: Valuation Report is as on 10th January 2023.

6. SWAP RATIO ANALYSIS:

The Scheme contemplates the demerger of the ANPCL and RAPG pursuant to the proposed scheme.

The share swap ratio proposed in the scheme is 1:1. If the shares are allotted by Apurva Natvar Parikh & Company Private Limited to all the shareholders of RAPG Developments Private Limited and vice versa, then the shareholding pattern of both the companies will be identical and every shareholder of Apurva Natvar Parikh & Company Private Limited will hold same percentage of equity ownership in RAPG Developments Private Limited and every shareholder of RAPG Developments Private Limited will hold same percentage of equity ownership in Apurva Natvar Parikh & Company Private Limited. Accordingly, any swap ratio can be considered fair for the above demerger including the swap ratio proposed in this report.

Upon the proposed scheme is coming into effect and in consideration of the demerger of the Demerged Undertaking and subject to the provisions of the proposed scheme, Company No.1 and Company No.2 shall issue and allot shares to the equity shareholders of the respective Companies, whose name is recorded in the register of members on the record date.

As set out above, pursuant to above ratio, all the shareholders of ANPCL will become the shareholders of RAPG and vice versa.

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We understand that

- *Pursuant to demerger of Construction, education, retail and warehousing business from Apurva Natvar Parikh & Company Private Limited, RAPG Developments Private Limited proposes to issue 1(one) equity share of INR 1,000/- fully paid up to be issued and allotted to the shareholders of the Apurva Natvar Parikh & Company Private Limited for every 1 equity share of the Company No.1 of INR 1,000/- fully paid up held by such shareholder.*

- *Shares proposed to be issued by RAPG Developments Private Limited to shareholders of Apurva Natvar Parikh & Company Private Limited:*

Sl.no	Name of the Shareholder	No of shares to be issued by RAPG
1	Mr. Apurva N. Parikh	8,552
2	Mrs. Neela A. Parikh	6,448
3	Mr. Romil A. Parikh	6,991
4	Ms. Anuja Parikh	1,018
5	Rohan Parikh HUF	6,991
	TOTAL	**30,000**

- *Pursuant to demerger of Hospitality business from RAPG Developments Private Limited, Apurva Natvar Parikh & Company Private Limited proposes to issue 1(one) equity share of INR 1,000/- fully paid up to be issued and allotted to the shareholders of the RAPG Developments Private Limited for every 1 equity share of the Company No.1 of INR 1,000/- fully paid up held by such shareholder.*

- *Shares proposed to be issued by Apurva Natvar Parikh & Company Private Limited to shareholders of RAPG Developments Private Limited:*

Sl.no	Name of the Shareholder	No of shares to be issued by ANPCL
1	Mr. Apurva N. Parikh	40,552
2	Mrs. Neela A. Parikh	17,012
3	Mr. Romil A. Parikh	14,924
4	Mr. Rohan A. Parikh	14,924
	TOTAL	**87,412**

For the purpose of the above clauses, Record Date means the date fixed by the Board of the Resulting Company in consultation with the Board of the Demerged Company, for the purposes of determining the shareholders of the Demerged Company for issue of the shares of the Resulting Company.

Based on the above and upon the demerger, the set of shareholders and holding proportion being proposed for the both the companies, the beneficial interest of the equity shareholders of Apurva Natvar Parikh & Company Private Limited and RAPG Developments Private Limited will remain same and satisfies both the conditions of Target Capitalization.

We believe that the above swap ratio is fair and reasonable considering that all the shareholders of Company No.1 and Company No.2 are and will, upon the demerger, be the ultimate economic beneficial owners of the both the companies.

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7. STATEMENT OF LIMITING CONDITIONS

This report has been prepared for the purpose of determining / estimating the Fair Value per Equity share of the Company for the management for internal evaluation purposes. The valuation is based on the company's Management Certified Provisional financial statements as on
30th November 2023.

The Terms of our engagement were such that we were mandated to rely upon the information & projections provided to us by the client with no further due diligence on the data or on the projections was done by us. K S P V & Co would not be held responsible for the achievability or authenticity of the forecasts or data.

By this report K S P V & Co is not purporting to advice the investor or investee companies on the prudence of the investment.

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The Report issued only for the purpose of merger and cannot be used for any other purpose other than it is intended to be issued.

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Registration No: IBBI/RV/06/2019/11150

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UDIN : 24227053BKFUHE2559
Date : 10-01-2024
Place : Coimbatore