

# SHARE VALUATION REPORT

For SWAP Ratio between

**FILATEX MINES AND MINERALS PRIVATE LIMITED**

**And**

**FILATEX FASHIONS LIMITED**

## **SRI RANGA GORANTLA**

REGISTERED VALUER (Securities or Financial Assets)

REGN NO. IBBI/RV/02/2019/11253

COP No. IOVRV00479SFA

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16<sup>th</sup> June 2023

**To,**

**The Board of Directors,**

**FILATEX FASHIONS LIMITED**

MY FAIR GARDENS, 8-2-682/3/ A & 3B ,

FLAT NO 201,2ND FLOOR,

ROAD NO 12 , BANJARA HILLS

HYDERABAD , TELANGANA- 500034

INDIA

**Ref: The scope of our services is for Valuation of Equity Shares for the purpose of determining the swap ratio between FILATEX FASHIONS LIMITED and FILATEX MINES AND MINERALS PRIVATE LIMITED .**

Referring to the engagement with me, Sri Ranga Gorantla, Registered Valuer (Regn no: IBBI/RV/02/2019/11253), wherein FILATEX FASHIONS LIMITED (hereinafter referred to as "FFL" or FILATEX FASHIONS or as the "**Transferee Company**") have requested me to do a Valuation of Equity Shares for the purpose of determining the swap ratio between FILATEX FASHIONS LIMITED and FILATEX MINES AND MINERALS PRIVATE LIMITED (hereinafter referred to as "FMMPL" or as the "**Transferor Company**"), and as per the discussions that I had with and information that I have received from the managements of Companies ("Management") from time to time in the above matter.

## VALUATION

We have computed the Value of Equity Shares of FFL and FMMPL purpose of determining the swap ratio between FFL and FMMPL.

We have formed an opinion on the Fair Value of Equity Shares based on the information provided by the Management of FFL. We are of the opinion that as on Valuation Date,

***The Total Value of FILATEX MINES AND MINERALS PRIVATE LIMITED (FMMPL) is Rs. 2,25,272.15 Lakhs having 16,00,00,000 numbers of equivalent equity shares at the face value of Rs. 1/- each.***

***Fair Value of one Equity Share having face value of Rs. 1/- each is Rs.140.80/- (Rupees One Hundred Fourty and Eighty Paise only).***

And

***Fair Value of one Equity Share Filatex Fashions Limited having face value of Rs. 5/- each is Rs. 14.08/- (Rupees Fourteen and Six Paise only).***

### Swap Ratio

Allotment of 10 shares of Rs 5/- each in the FILATEX FASHIONS LIMITED to Filatex Mines and Mineral Private Limited shareholders for every 1 Equity Share of Rs.1/- each.

The valuation is subject to the information as made available to us by the Management of FFL. and no specific audit has been carried on the same.

I have independently applied methodologies explained in the detailed valuation report and arrived at their assessment of value per share of the Company.

The detailed valuation report including Valuation of Shares and Computation of Fair value of the Companies has been attached in subsequent pages.

**SRI RANGA GORANTLA,**  
**REGISTERED VALUER (Securities or Financial Assets)**  
**REGN NO. IBBI/RV/02/2019/11253**  
**COP No. IOVRV00479SFA**  
**UDIN: 23222450BGWNAC4343**

Date: 16<sup>th</sup> June 2023

Place: Hyderabad

**DETAILED VALUATION REPORT**

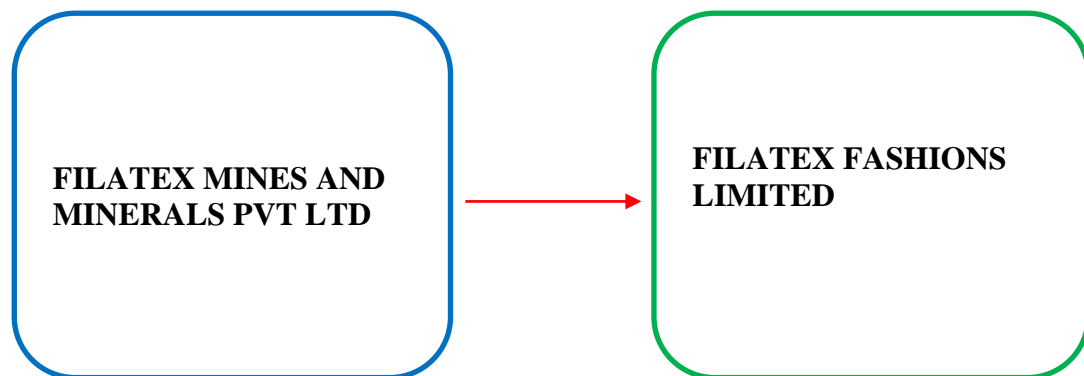
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**I. Purpose of Valuation:**

We refer to our appointment letter dated 10-06-2023, issued to us by FILATEX FASHIONS LIMITED (FFL) (CIN: L51491TG1994PLC017158), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at MY FAIR GARDENS, 8-2-682/3/A & 3B FLAT NO 201,2ND FLOOR, ROAD NO 12 ,BANJARA HILLS HYDERABAD TELANGANA 500034 INDIA (hereinafter referred to as “FFL” or “FILATEX FASHIONS” or “**Transferee Company**”) company has engaged SRIRANGA GORANTLA, Registered Valuer, (Securities or Financial Assets) (hereinafter referred to as “RV” or “we” or “us”) For Valuation of Equity Shares for the purpose of determining the swap ratio for merger between FILATEX FASHIONS LIMITED and FILATEX MINES AND MINERALS PRIVATE LIMITED in accordance with Internationally accepted valuation Methodologies. (as applicable as on date) (“Transaction”).

**Transferor Company**

**Transferee Company**



Based on the discussion with the management of FILATEX FASHIONS LIMITED (FFL), we have considered the valuation cut- off date as closure of business hours of 15<sup>th</sup> June, 2023 (“Valuation Date” or “Valuation Cut-off Date”).

## **II. SCOPE OF OUR WORK:**

Our scope of work is to determine the total value of the business of FILATEX FASHIONS LIMITED ( FFL ) and FILATEX MINES AND MINERALS PRIVATE LIMITED (FMMPL ) for determining the swap ratio for merger of the companies.

This assignment has been performed based on our independent evaluation about the earning capacity of the companies considering the nature of business, Historical financial statements and Projected Financial Information of the companies and also the market data pertaining to economy, industry and companies business.

During the course of valuation engagement, an examination and analysis is required in respect of several aspects of the companies activities such as its historical performance, economic and industry analysis, its competitive positioning in the industry, inherent strengths/weaknesses of the business and the opportunities/ threats presented by the environment, calculation and interpretation of results, the industry outlook, forecasts of the operating performance, estimates of the cost of capital, estimates of the present value of cash flows for forecast period and continuing value.

We understand that the results of our assignment will be used by the companies only to quote the fair value of Business for determining the swap ratio for merger of the companies. Therefore, it is not our intent or objective that the results of our work be used for any other purpose, other than the one as stated above.

We have appraised a fully marketable, controlling ownership interest in the assets of the subject business. The appraisal was performed under the premise of value in continued use as a going concern business enterprise. In our opinion this premise of value represents the highest and best use of the subject business assets.

### **Business Enterprise Value:**

The Business Enterprise Value includes furniture, fixtures and equipment, and all intangible assets including business goodwill. It excludes cash, or cash equivalents, accounts receivable, real estate, non-operating assets and all business liabilities. The valuation is subject to the information provided to us as well as the

assumptions and financial data which appear in the report.

We have no obligation to update this report or our conclusion of value for information that comes to our attention after the date of this report. We have appraised the subject business in accordance with the General Standards of Professional Appraisal Practice. This business appraisal follows the requirements of a valuation engagement.

### **III. About SRIRANGA GORANTLA:**

GORANTLA SRI RANGA qualified as Chartered Accountant in the year 2009. He has good exposure in Valuations, Direct Taxes, Indirect Taxes and Statutory Audits in the area of auditing of various public and private limited companies. He is advisor for many companies for compliance of various statutory matters. He has good experience in project finance. He is an expert in matters relating to STP/SEZ Policy & Regulation, Taxes, Transfer Pricing, Accounts, GST Practices. He has a valuable Ten years' experience in dealing with Income Tax matters and frequent visitor before Appellate Authorities. He specializes in individual and corporate taxation. He was involved in conducting the due diligence and preparing for the due diligence.

He completed Certificate Course On Concurrent Audit of Banks and Certificate Course on Forex and Treasury Management (FXTM) conducted by Institute Of Chartered Accountants Of India (ICAI).

He is also a Certified Information System Auditor holding the qualification of DISA. Conducted Information System Audits and designed Information System Controls for various projects.

Mr Sri Ranga Gorantla is a Registered Valuer (Securities or Financial Assets) & Chartered Accountant (hereinafter referred to as "RV" or "we" or "us") registered with Insolvency and Bankruptcy Board of India vide Registration No. IBBI/RV/02/2019/11253, having Certificate of Practice No IOVRV00479SFA from IOVRVF. With his vast experience and expertise in the field of valuation, he successfully completed valuation of various Listed Companies, Public Limited Companies and Private Limited Companies.

**IV. Background information about the FILATEX FASHIONS LIMITED (FFL)****Brief Profile of the Company:**

**FILATEX FASHIONS LIMITED** [CIN: L51491TG1994PLC017158] is a listed public company incorporated on 08 March, 1994.

**REGISTERED OFFICE**

MY FAIR GARDENS, 8-2-682/3/A & 3B ,

FLAT NO 201,2ND FLOOR,

ROAD NO 12 , BANJARA HILLS

HYDERABAD , TELANGANA- 500034

INDIA

**CAPITAL STRUCTURE**

The present Authorized , Issued, Subscribed and Paid-Up Share Capital of the **FILATEX FASHIONS LIMITED (FFL)** is

PARTICULARS	AMOUNT (In Rs.)
<b>Authorized Share Capital</b>	
<i>10,20,00,000 Equity Shares of Rs.5/- each</i>	<i>51,00,00,000</i>
<b>Issued, Subscribed and Paid-Up Share Capital</b>	
<i>9,68,14,545 Equity Shares of Rs.5/- each</i>	<i>48,40,72,725</i>

The issued, subscribed and paid up equity share capital of **FILATEX FASHIONS LIMITED (FFL)** is held by following persons as follows:

Sl. No	Category of shareholder	No of Shares of Rs. 5/-each	AMOUNT (Rs.)	% Of Share Holding
1	Promoter & Promoter Group	15,18,773	7593865	1.57
2	Public	9,52,95,772	476478860	98.43
<b>TOTAL</b>		<b>9,68,14,545</b>	<b>48,40,72,725</b>	<b>100</b>

### **Board of Directors:**

At present the following are the Board of Directors of **FILATEX FASHIONS LIMITED (FFL)**.

S.no	Name	DIN	Designation
1	SETHIA PRABHAT	00699415	Managing Director
2	SETHIA SANGEETA	02600900	Director
3	VALLAM SETTY RAGHURAM	08037371	Additional Director
4	ARUN SHARMA	09180139	Additional Director
5	NAGESHWARA RAO CHITIRALA	02197018	Additional Director

### ***About Filatex***

Filatex Fashions Ltd. is one of India's oldest players in socks manufacturing. It manufactures top quality socks using state-of-the-art Italian, Korean and Chinese technologies and infrastructure. Filatex Fashions specializes in quality cotton, woolen, and silk socks that are at par with the international standards. It has ridden over the European socks market for over 10 years now and worked for a number of stellar global brands. Some of its clients are eminent market leaders such as FILA, Sergio Tacchini, Adidas, Marks & Spencer and Walt Disney among others. With two brands: Smartman and Tuscany, Filatex Fashions brings its global experience to India.

## **Brands of Filatex**

### **Tuscany**



Our range of luxury socks, produced with high quality luxury yarns. The signature hand-linked seams, knitted by uniquely skilled makers, gives Tuscany an unparalleled quality. The trendy classic and contemporary designs, based on the latest trends, makes it stand out of the crowd.

### **Smart Man**



Smart Man is our range of business and casual wear. Made using traditional methods, the high quality socks provide you unparalleled comfort. There are variety of fun socks available, the range includes multi coloured fun socks, walking socks, bed socks and everyday socks made from pure cotton.

### **Vogue4all.com**



Vogue4all.com is our online store for global designer wear collection. It features masterpieces by budding designers as well as big names in fashion designing world at a competitive price. The products range from ethnic wear to handbags and backpacks. The vogue4all team ensures 100% customer satisfaction through the best delivery and return policy.

### **Executive Summary**

#### **Mr.Prabhat Sethia**



Managing Director of FFL is a commerce graduate and hails from a renowned business family from Kolkata. In 1997, he started Filatex Fashion Ltd and shifted base to Hyderabad. He has successfully guided the company's growth strategy and enriched the technical aspects of the business.

- A Commerce graduate
- Hails from a renowned business family from Kolkata
- Started Filatex Fashions Ltd in 1997
- Later shifted his business to Hyderabad
- Skillfully guided the company's growth strategy
- Enrich the technical aspects of the business

**B ) Background information about the **FILATEX MINES AND MINERALS****

**PRIVATE LIMITED (FMMPL)**

**Brief Profile of the Company:**

**FILATEX MINES AND MINERALS PRIVATE LIMITED**

[CIN: U14290TG2022PTC164868] is an Un-listed private company incorporated on 18 July, 2022.

**REGISTERED OFFICE**

**P.NO. 111, F.NO.503, 8-3-1100/1&1100/5**

**JYOTHISPLENDOUR APPTS,**

**SRI NAGAR COLONY**

**HYDERABAD**

**TELANGANA- 500073**

**INDIA**

**CAPITAL STRUCTURE**

The present Authorized , Issued, Subscribed and Paid-Up Share Capital of the **FILATEX MINES AND MINERALS PRIVATE LIMITED (FMMPL)** is

<b>PARTICULARS</b>	<b>AMOUNT (In Rs.)</b>
<b>Authorized Share Capital</b>	
<i>20,00,00,000 Equity Shares of Rs.1/- each</i>	<i>20,00,00,000</i>
<b>Issued, Subscribed and Paid-Up Share Capital</b>	
<i>16,00,00,000 Equity Shares of Rs.1/- each</i>	<i>16,00,00,000</i>

**Board of Directors:**

At present the following are the Board of Directors of **FILATEX MINES AND MINERALS PRIVATE LIMITED (FMMPL)**

S.no	Name	DIN	Designation
1	SETHIA PRABHAT	00699415	Additional Director
2	YASH SETHIA	07959471	Director

**PROJECT DESCRIPTIONS**

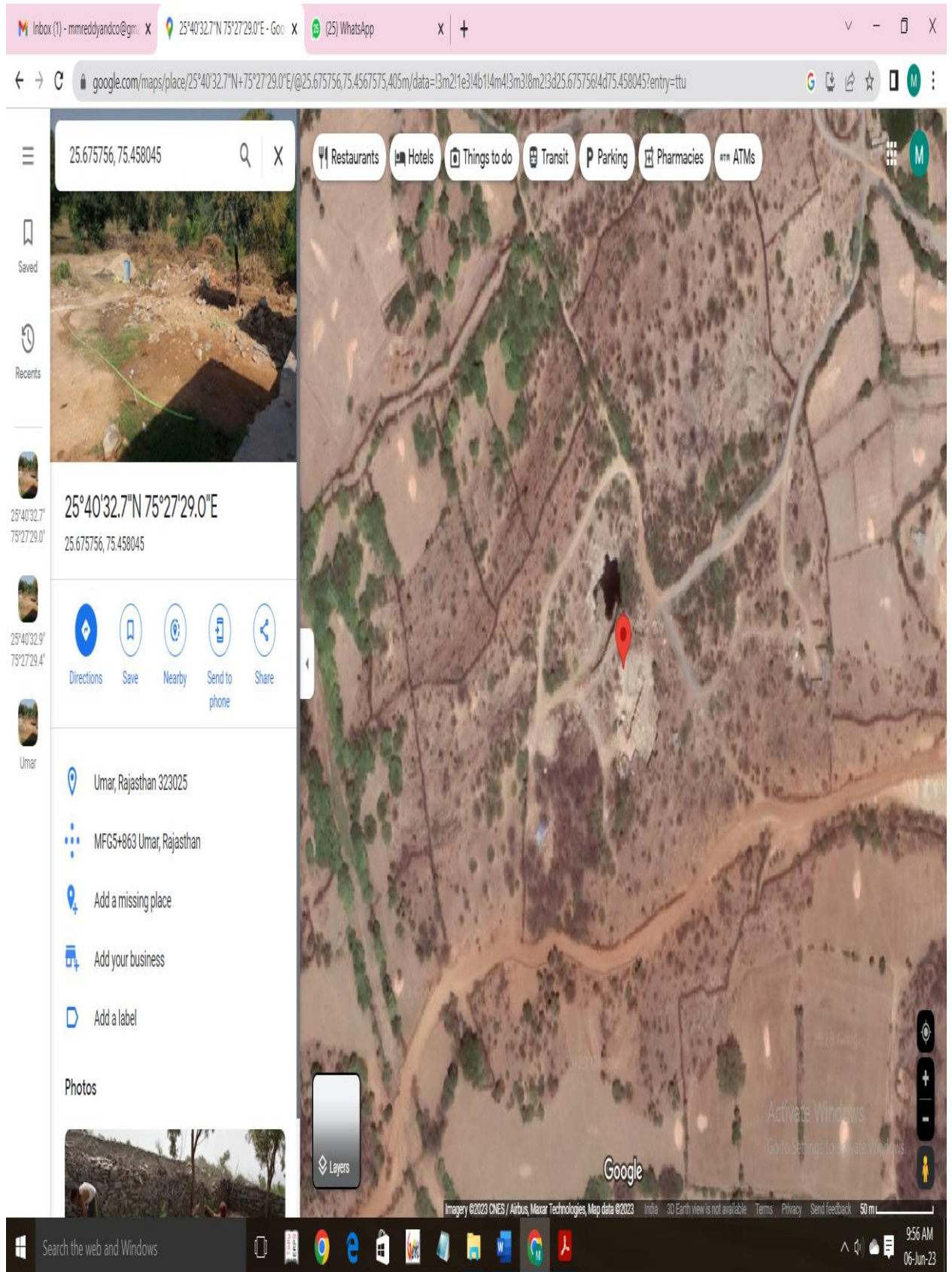
**FMMPL** got mineral mining lease have an area of 4.0 hectares in Government Waste land. Mining lease area falls in Government waste land, Village- Umar, Tehsil- Hindoli, District- Bundi, State- Rajasthan. Proposed Production capacity of the project is 34,82,475 mt.

**LOCATION DETAILS ALONG WITH MAPS**

Area fall in Latitudes 25°40'32.9"N to 75°27'29.4"E 25.675800, 75.458158 located at Village- Umar, Tehsil- Hindoli, District- Bundi, Rajasthan. The mining site is 500m away from the village link road. The location plan is shown below:

# SRI RANGA GORANTLA,

REGISTERED VALUER (Securities or Financial Assets)  
REGN NO. IBBI/RV/02/2019/11253



Location Plan

**BRIEF DESCRIPTION OF THE PROJECT**

S. No	Information	Details
1	Project Name	Filatex Mines and Minerals Pvt Ltd
2	Project Proponent	M.L. No.248/2003
3	Altitude of the Area	Latitude: 25°40'32.9"N to 75°27'29.4"E 25.675800, 75.458158
4	Location	
	Lease Hold Area	Govt Land Lease
	Village	Umar
	Tehsil	Hindoli
	District	Bundi
	State	Rajasthan
5	Lease Status	Valid till 2054
6	Topography of Mine lease area	Ground deposit
7	Name of the Mineral Mining	Marble
8	Mode of Mining	Manual / Semi Mechanized
9	Total Geological Reserve	24,51,814.4 MT
10	Total Mineable Reserve	11,19,955.2 MT
11	Drilling / Blasting	Drilling / Blasting
12	Manpower Used	45 persons
13	Land utilization Pattern	Mining, Plantations

**DETAILS OF THE PROJECT**

S.No.	Particulars	Details	
1.	Year-wise projected production details	Year-wise production details:	
		<b>Year</b>	<b>Production of Metal Stone (m<sup>3</sup>)</b>
		2023-24	2,67,883
		2024-25	3,57,177
		2025-26	4,46,471
		2027-28	5,35,765
		2028-29	6,25,060
		2029-30	6,25,060
		2030-31	6,25,060
		<b>Total</b>	<b>34,82,475</b>

2.	A copy of the document in support of the fact that the proponent is the rightful lessee of the mine should be given.	ML No.248/2003 has issued letter of grant/intent for quarry lease area in favour of M/s. DD Marbles, Vide Order No.1764, dated 12/03/2014.
3.	Details of the land proposed for mining activities	The proposed area is govt. waste land and already allotted to the project proponent for mining. State Government of Rajasthan has allotted the Mine Lease area allotted to the project proponent.
4.	Issues relating to mine safety, including subsidence study in case of underground mining and slope study in case of open cast mining, blasting study etc. should be detailed. The proposed safeguard measures in each case should also be provided.	Mining of marble will be carried out by open cast mechanized method and no underground mining will be done. So, no subsidence study is required. A detail regarding Slope of the pit, drilling and blasting carried out.
5.	Details of the land for any overburden dumps outside the mine lease, such as extent of land area, distance from mine lease, its land use, R&R issues, if any.	Temporary stacking of Overburden dumps will be done inside the project site and no dumps will be created outside the ML area. All the dumps will be simultaneously backfilled during conceptual period and no dump will be retained at the end of mine life. NO R& R issues. There is no Project Affected Person (PAP) by the proposed mining activities. Hence, there is no need of R&R Plan. There is no human settlement in allotted mine lease area.

6.	A Certificate from the Competent Authority in the State Forest Department should be provided, confirming the involvement of forest land, if any, in the project area.	The Mining Lease area does not involve any forest land.
7.	Status of forestry clearance for the broken up area and virgin forestland involved in the Project including deposition of net present value (NPV) and compensatory afforestation (CA) should be indicated.	No Forest land is involved in the Mine Lease Area. Hence forest clearance is not applicable. Forest department NOC is enclosed as Annexure.
8.	Implementation status of recognition of forest rights under the Scheduled Tribes and other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 should be indicated.	The area is not covered under Scheduled Tribes and other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006. Hence, it is not applicable.
9.	Impact of the project on the wildlife in the surrounding and any other protected area and accordingly detailed mitigative measures required, should be worked out with cost implications.	This is a very small mine and in the study area very insignificant impact will be there due to mining operation. No wildlife is present in the vicinity of project site.
10.	Location of National parks, Sanctuaries, Biosphere Reserves, Wildlife corridors, Ramsar site Tiger/Elephant reserves (existing as well as proposed), if any, within 10 km of the mine lease should be clearly indicated, supported by a location map duly authenticated by Chief Wildlife Warden.	There are no National Park, Sanctuaries, Biosphere Reserve, Wildlife Corridors, Tiger/Elephant reserves (existing as well as proposed) present in the mining area. This site area is not even coming under any ESZ also.

<p>11.</p>	<p>The water requirement for the project, its availability and source should be furnished. A detailed water balance should also be provided. Fresh water requirement for the project.</p>	<p>Source of Water: The natural ground water in the mine itself is available and Private Portable tankers will be used if required. Fresh water will be required for workers and will be provided the same.</p>
<p>12.</p>	<p>Impact of the project on the water quality, both surface and groundwater should be assessed and necessary safeguard measures, if any required.</p>	<p>Ground &amp; Surface Water quality was analyzed. Surface water of study area comes under Class C i.e. Drinking water source after conventional treatment and disinfection". Whereas, Ground water comes under Class A i.e. Drinking water source without Conventional Treatment but after disinfection. No significant impacts due to proposed project have been envisaged as mining will be carried out above ground water table. To prevent impact on surface water sedimentation/Settling tanks followed by storage (sump) tank will be provided so that water can be remained inside the mine lease area even during rainy season. Settling tank will be cleaned periodically.</p>
<p>13.</p>	<p>Details of any stream, seasonal or otherwise, passing through the lease area and modification / diversion proposed, if any.</p>	<p>There is no drainage, ephemeral or seasonal, is passing through the lease area.</p>

<p>14.</p>	<p>Impact on local transport infrastructure due to the project and projected increase in truck traffic as result of the project in the present road network (including those outside the project area) and indicate whether it is capable of handling the incremental load. Arrangement for improving the infrastructure, if contemplated (including action to be taken by other agencies such as State Government).</p>	<p>The transportation of minerals will be done by vehicles through existing roads and highways. It has been proposed that approx 10 - 20 dumpers/day with 2 trips will be required for transport. This increased traffic will be distributed in 2 routes for transportation. Existing road network is well capable of handling the incremental traffic. From mine till main metalled road kacha road has been constructed.</p>					
<p>15.</p>	<p>Details of the onsite shelter and facilities to the mine workers.</p>	<p>Onsite temporary shelter and facilities will be provided to the mine workers with necessary infrastructural facilities.</p>					
<p>16.</p>	<p>Occupational Health impacts of the Project anticipated, and the proposed preventive measures spelt out in detail. Details of pre-placement medical examination and periodical medical details</p>	<p>The impact on Occupational Health Safety of employee and proper mitigation detail in the table given below.</p> <table border="1" data-bbox="852 1279 1129 2002"> <thead> <tr> <th data-bbox="852 1279 1129 1480"> <p><b>Anticipated Occupational Health and Safety Impacts</b></p> </th> <th data-bbox="1129 1279 1460 1480"> <p><b>Proposed mitigation measures</b></p> </th> </tr> </thead> <tbody> <tr> <td data-bbox="852 1480 1129 2002"> <p>Lung Disease and respiratory disorder due to dust exposure.</p> </td> <td data-bbox="1129 1480 1460 2002"> <ul style="list-style-type: none"> <li>• Dust mask will be provided to the workers</li> <li>• Precautions will be adopted to prevent dust generation at site and dispersing in the environment.</li> <li>• Air emission control system such as water sprinkling,</li> </ul> </td> </tr> </tbody> </table>	<p><b>Anticipated Occupational Health and Safety Impacts</b></p>	<p><b>Proposed mitigation measures</b></p>	<p>Lung Disease and respiratory disorder due to dust exposure.</p>	<ul style="list-style-type: none"> <li>• Dust mask will be provided to the workers</li> <li>• Precautions will be adopted to prevent dust generation at site and dispersing in the environment.</li> <li>• Air emission control system such as water sprinkling,</li> </ul>	
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			<p>green belt development.</p> <ul style="list-style-type: none"> <li>• Free Silica analysis of mineral will be done</li> </ul>
		Noise	<ul style="list-style-type: none"> <li>• Ear muff will be provided ,</li> <li>Maintenance of vehicles.</li> <li>• PUC certified vehicles used for transportation</li> </ul>
		Accident at site	<ul style="list-style-type: none"> <li>• PPEs will be provided to the workers likely hand gloves, safety shoes etc.</li> </ul>
		Others	<ul style="list-style-type: none"> <li>• Awareness program/training program will be organized for workers for occupational safety.</li> <li>• Smoking and tobacco will be banned at site</li> </ul>
		<p>All workers will be medically examined initially and also periodically as per Rule 29 (A) and (B) of Mines Rule 1955. Person protective measures, pre-placement medical examination and periodical medical examination schedules are placed.</p>	

17.	Public health implications of the Project and related activities for the population in the impact zone should be systematically evaluated and the proposed remedial measures should be detailed along with budgetary allocations.	Due to implementation of proposed environmental Management plan mentioned in this report no significant public health implications are anticipated. Budgetary allocations on remedial measures have been included in the project.
18.	Measures of socio-economic significance and influence on the local community proposed to be provided by project Applicant should be indicated. As far as possible, quantitative dimension may be given with time frame for implementation.	Corporate Environment Responsibility Programmes such as Drinking water supply to nearby villagers, Construction of Toilets in nearby primary school. Quantitative dimension along with budgetary allocations and timeline have been mentioned in the project.
19.	Detailed environmental management plan to mitigate the environmental impact which, should inte-alia include the impacts of change of land use, loss of agricultural and grazing land, if any, occupational health impacts besides other impacts pacific to the proposed project.	Current land use is govt. waste land. Due to mining operations the entire mineral will be excavated and at conceptual stage part of excavated area will be backfilled followed by plantation for stabilization, and remaining excavated area will be converted into green belt.
20.	Details of litigation pending against the project, if any, with direction /order passed by any Court of Law against the project should be given.	There is no litigation against the project.
21.	The cost of the project (capital cost and recurring cost) as well as the cost towards implementation of execution of the project.	Project cost detail is given in 'Project benefit" and Cost for implementation.
22.	A Disaster Management Plan shall be prepared and included in the	A Disaster Management Plan shall be prepared and included in the

	report.	report.
23.	Benefits of the project if the project is implemented including environmental, social, economic, employment potential etc.	All the details of project benefits of project is added in “Project benefits” & “Environmental Management Plan”
24.	Proposed depth of mine from ground level and if ground water intersection is envisaged geo-hydrological studies shall be carried out.	Depth of ground water table is at RL 134 m and proposal of mining (up to applied period) is given up to RL 156 m. Ground Water table in the area varies between 40 m- 45 m.  The mining is proposed much above (6 m) ground water. Hence no intersection of the ground water.
25.	Proposal for extensive green belt plan considering the high volume of mining provided in the report with inventory of existing green belt.	The detailed analysis of proposed green belt discussed in the report.
26.	Proposal for pucca evacuation road (to carry 40 MT truck load) with atleast 7.5 meters width and shoulders of 0.5 meters each on both sides as per Indian Road Congress standards.	Noted & complied.
27.	Transportation shall be done with 40 MT truck load capacity to minimize the number oftrips.	Noted & complied.
28.	Approved mining plan to be submitted.	Approved Mining Plan attached as Annexure.
29.	Source of water for the project with permission/ commitment from the competent authority to be submitted.	Water requirement will be met from Private Portable Tanker.
30.	Water consumption in the project has to beevaluated including all	Noted and details are added in the project.

	the usages.	
31.	Impact of transport of ore on the surrounding environment up to the end user should be assessed and addressed.	Existing traffic routes will be utilized for evacuation. Transportation route map and traffic study has been included in the project.
32.	An inventory of various features such as sensitive area, fragile areas, mining / industrial areas, habitation, waterbodies, major roads, etc. shall be prepared and furnished with EIA.	All the points provided in the project has been covered in different maps and furnished.
33.	An inventory of flora & fauna based on actual ground survey shall be presented.	All the details of flora and fauna is covered under the project.
34.	Risk factors with their management plan should be discussed in the report.	All the Risk factors and Hazard Identification alongwith their mitigation plan is detailed out in the Report.
35.	The report should be prepared by the accredited consultant having no conflict of interest.	we have tried to prepare the unbiased report in every ground.
36.	The Document shall be printed on both sides, as far as possible.	Noted and complied.
37.	All documents should be properly indexed, page umbered.	Noted and complied.
38.	Period/date of data collection should be clearly indicated.	All the sampling and analysis data of the baseline data is clearly mentioned
39.	A time bound action plan should be provided in the report for fulfillment of the Commitments.	An Environment Cell is proposed to be developing for fulfillment of the project commitments.
40.	Detailed analysis of availability and quality of the drinking water resources available in the block.	Ground water sampling has been taken at six different locations of the area.

**V. Sources of Information:**

For the purpose of arriving at the Valuation, we have essentially relied on the information provided to us by the Management of FFL which we believe to be reliable and our conclusions are dependent on such information being complete and accurate in all material respect. In particular, we were provided with the following information by the management of FFL for the purpose of our value analysis:

**Management Representation Letter dated June 10, 2023 from FFL, containing therein inter-alia necessary information, clarification, assumption with respect to valuation exercise, including:**

- Management Certified Financial Projections of FFL and FMMPL for years ending on March 31, 2024 to March 31, 2028.
- Brief write up about FFL and FMMPL
- Shareholding Pattern of FFL and FMMPL as on valuation date.
- Audited Financials of FFL for the years ended 31<sup>st</sup> March 2020, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2022.
- Provisional Financial Statements for the period ended 31<sup>st</sup> March 2023 of FFL and FMMPL. And upto 15-06-2023 FMMPL

In addition to the above, we have also obtained explanations and other information as considered necessary by us for our exercise from the management of FFL.

**For the purpose of our value analysis, we have used the following information that is available in public domain:**

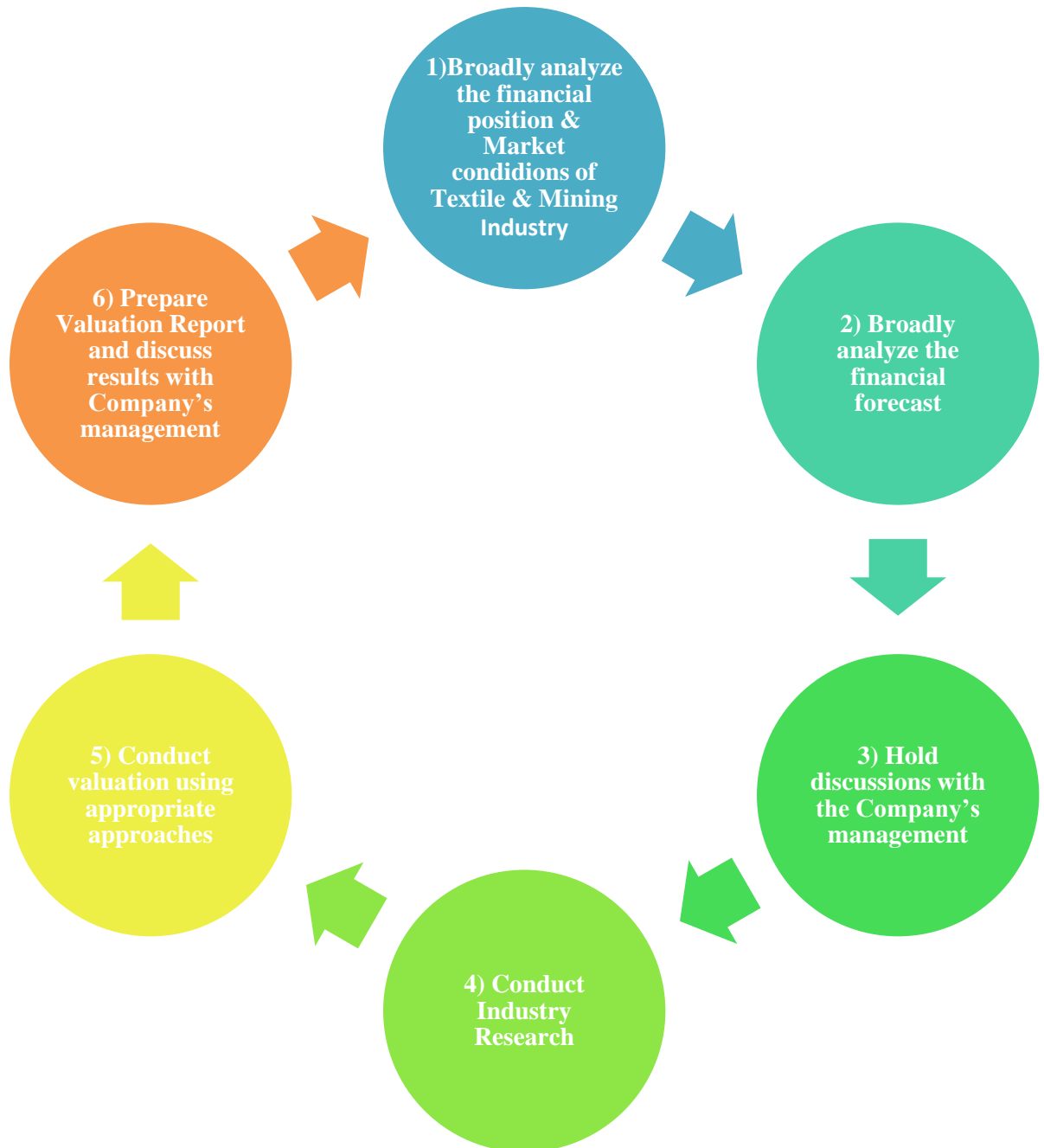
- For the purpose of determining Risk free rate, average yield on 10 years Government of India Securities (10 Year GS) has been considered. (Source: [https://m.rbi.org.in/Scripts/BS\\_NSDDisplay.aspx?param=4](https://m.rbi.org.in/Scripts/BS_NSDDisplay.aspx?param=4) ). We have taken as 7.03 %

- For calculation of Market Return, we have considered the Compounded Annual Growth Rate (CAGR) of BSE Sensex for the period starting from January 01, 1979 to June 15, 2023. (Source: BSE Website)
- Beta of FMMPL has been considered as 1.29 being the company is unlisted company
- Alpha of FMMPL has been considered as 2.0 %.

**VI. Procedures adopted and valuation method(s) followed for the assignment:**

In connection with this exercise, we have adopted following approaches to carry out the valuation:

- Requested and received financial and other information.
- Considered relevant data available in public domain.
- Discussed with management to understand the business of the Company, its historical financials and its future business plans.
- Selection of valuation methodologies as considered appropriate by us for the present exercise.



**Approach Considered in our Value Analysis:**

***General Principles for Valuation***

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 is an inexact science. It may sometimes involve a set of judgments and assumptions that may be subject to certain uncertainties.

***Regulatory Requirements w.r.t Valuation Methodology***

As far as Section 247(2)(c) of the Companies Act 2013 is concerned the Valuer shall make valuation as per Standards notified from time to time by the Central Government, until such time the Valuation Standards are notified by the Central Government, a Valuer shall make valuation as per Internationally accepted valuation methodology

- (a) Valuation standards adopted by any valuation professional organization or
- (b) Valuation standards specified by Reserve Bank of India, Securities and Exchange Board of India or any other statutory regulatory body

The internationally accepted valuation methodology includes

1. Net Asset Value Method as per prescribed formula
2. Discounted Cash Flow (DCF) Method

I have performed the valuation analysis, to the extent applicable, in accordance with the above mentioned standards. I have considered the Asset based, Income approach and Market based approach which are commonly used and accepted methods for determining the relative fair value of equity shares which can be considered in the present case, to the extent relevant and applicable, to arrive at the Fair Equity Share Exchange Ratio for the purpose of the further allotment of

Equity Shares. In connection with this analysis, I have adopted the following procedures to carry out the valuation analysis:



**A. Cost Approach:**

- Net Asset Method

**B. Income Approach:**

- Discounted Cash Flow (DCF) Method

**C. Market Approach:**

1. Market Price Method
2. Comparable Companies Multiple (CCM) Method
3. Comparable Transaction Method (CTM)

### ***Selection of Valuation Methodology***

The objective of the valuation process is to make a best reasonable judgment of the value of the equity share of the Company. There are a number of valuation methodologies to value companies / businesses using historical and forecast financials of the company. Commonly used valuation methodologies are as follows:

#### **A. Cost Approach:**

The cost based valuation technique is based on the value of underlying net assets of business either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the “going concern” criteria or in case where the assets base dominates earnings capability. Under Cost Approach we have Net Assets Value (NAV) Method.

#### ***Net Asset Value (NAV) Method***

The asset based valuation technique is based on the value of the underlying net assets of the business, either on book value basis or realizable value basis or on replacement cost basis. The net asset value ignores the future returns the asset can produce and is calculated using historical accounting data. This valuation approach is mainly used in the case where the business is to be liquidated i.e., it does not meet the going concern criteria or in case where the asset base dominate earnings capability.

FFL is growing company, The company and its substantial value lies in the future earnings, their profits are not dependent on the capital assets employed in the business.

FMMPL growing company, The company and its substantial value lies in the future earnings, their profits are not dependent on the capital assets employed in the business.

Therefore, in the present case, we have not used the NAV Method for the valuation.

## **B. Income Approach:**

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The value measurement is determined on the basis of the value indicated by current market expectations about those future amounts. Income approach is generally regarded as more appropriate in case of valuation for going concern. This approach values a business by capitalizing its earnings. Under Income Approach we have Discounted Cash Flow (DCF) Method.

### ***Discounted Cash Flow (DCF) Method***

Earning based approach includes Discounted Cash Flow (“DCF”) Method, which takes into account the future profitability of a business enterprise as also time value of money.

The DCF method values the business by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to both the owners and the creditors of the business.

Under DCF method, valuation is arrived by taking the present value of expected future cash flows. Thus, it is very important to consider the reasonable projections which the enterprise can achieve. I understand that the projections provided to us by the Management of FFL are prepared on the reasonable assumptions.

Under DCF method, I have adopted most common firm approach of valuation i.e. arriving value of the company. The value of the company is obtained by discounting the expected cash flows to the company. Net cash flows to company are arrived by reducing from gross operational cash flows, tax payments, changes in working capital, capital expenditure etc and by adding non-cash expenditure (like depreciation). The net cash flows so arrived are discounted by the weighted average cost of capital (“WACC”). In this approach, the gross value of the Company is arrived and from this value, amount of debt as on the valuation date is reduced to arrive at the value for equity holders.

The discount rate is arrived by determining the cost of each provider of capital and taking the weighted average of that. The discount rate so arrived is termed as WACC. The WACC reflects the business as well as financial risk of the enterprise.

***WACC= [(Cost of Equity\*weight) + (Cost of Debt\*weight)] / [weight of Equity + weight of Debt].***

The cost of equity is derived by the risk and return approach

**Cost of equity = Risk Free Return + [Beta \* Equity Risk Premium]**

Where,

**Risk Free Return ("RF)** is the return expected by an investor where default risk is zero. (Long Term Government Securities) Rf is taken at 7.03 % which is rate of interest on 10-year G-Sec bond.

(Source:[https://www.rbi.org.in/Scripts/BS\\_NSDDisplay.aspx?param=4](https://www.rbi.org.in/Scripts/BS_NSDDisplay.aspx?param=4)).

**Beta:** It is the sensitivity of a particular stock vis a vis Market or Index.

In the present case, Beta of FMMPL has been considered as 1.29.

**Equity Risk Premium** is the expectation of the investor over and above the risk-free return. The Rate of Return on Equity (RM) is taken on the basis of the Indian stock equity market return of the S&P BSE Sensex index and mutual funds returns trend i.e 15.69 % p.a. Accordingly, the equity risk premium is worked out at 8.66%

### **Alpha**

Alpha is company specific risk premium.

In the present case Alpha of FMMPL has been considered as 2.0%.

**Cost of Equity considered as 20.21%**

**Cost of Debt** is the long-term cost of debt of the company. While arriving at Cost of Debt, one has to take the tax benefit available on interest, if any and take Cost of Debt net of tax.

**Hence Cost of debt considered as 8.88%**

**Based on the above we concluded WACC as 11.15 %**

DCF Valuation is calculated in two parts, i.e. present value of cash flows for explicit period (i.e. the period for which projections are made) and present value of terminal value. To work out the terminal value cash flows, explicit period's last year's net cash flow is taken as base and an appropriate growth rate is applied to that.

In addition to the WACC the Terminal Value growth rate in perpetuity needs to be determined. Growth rate in perpetuity of 2.0 % is assumed to be reasonable considering going concern principle.

The cash flow so arrived has been capitalized by applying following formula to arrive at Gross Terminal Value:

$$\text{Terminal Value (TV) = } \frac{\text{Net cash flow for Terminal value}}{\text{(WACC - Growth Rate for Terminal Value)}}$$

Discount rate of last year of explicit period has been applied to arrive at present value of TV.

**PV of TV** = TV \* Discount factor for last year of explicit period.

Present value of cash flow for explicit period and present value of terminal value is added to arrive at the Enterprise Value of the business. This value is for all the providers of the capital.

To arrive at the value for equity holders under firm approach of valuation following adjustments made:

***“Value for equity holders = PV of Cash Flows for explicit period + PV of TV + Surplus cash not considered for working capital requirement + surplus assets – value of Debt etc”.***

FMMPL is a growing company, and its substantial value lies in the future earnings.

Being the company's substantial value lies in the future earnings and growing company, value of FMMPL lies in future earnings and future positive cash generation capacities. Therefore, in the present case, we have considered the DCF Method for the valuation.

### **C. Market Approach:**

#### **a) Market Price Method**

The market price of and equity share quoted on a stock exchange is normally consider the value of equity share of the Company, if such shares are frequently traded speculative support that may be inbuilt in the value of such shares.

Equity Shares of FFL are traded on stock exchange ( Bombay Staock Exchange ) and therefore, Market Price Method is relevant for the present valuation exercise. Hence, we have considered this method for the valuation.

Equity Shares of FMMPL are not traded on any stock exchange and therefore, Market Price Method is not relevant for the present valuation exercise. Hence, we have not considered this method for the valuation.

#### **b) Comparable Company Multiples (CCM) Method**

The CCM Method estimates value by relating the same to underlying elements of similar companies for past years. In the CCM Method, one attempts to measure the value of the shares/business of company by applying the derived market multiple based on market quotations of comparable public/listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company/business (based on past and/or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors

relevant to valuation. Relevant multiples chosen carefully and adjusted for difference between the circumstances.

FFL is growing company and its substantial value lies in the future earnings and their profits are not dependent on the capital assets employed in the business.

FMMPL is growing company and its substantial value lies in the future earnings and their profits are not dependent on the capital assets employed in the business.

We have not found any listed peers which can be objectively compared with these companies considering its business model. Therefore, we have not considered this method for our valuation exercise.

### **c) Comparable Transaction Method (CTM)**

The CTM 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).

Under CTM method, one has to identify and select the comparable transaction that have been consummated closer to the valuation date which is generally more representative of the market conditions prevailing. The transaction multiple is computed based on the price paid in such comparable transactions.

However, in the absence of availability of any comparable transactions in the similar Industry, we have not considered CTM method.

## **VII. VALUATION BASIS & PREMISE OF VALUE:**

### **VALUATION BASIS**

The standard of value used for determination of value is the Fair Value. For this purpose, the fair value as defined for accounting purposes is considered. Indian Valuation Standard 102, Fair value measurement defines fair value as “Fair value is 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”.

Based on the discussions in the preceding paragraphs w.r.t valuation methodologies as well as regulatory requirements, we have considered DCF Method (which is one of the internationally acceptable methods for valuation for the evaluation of Equity Shares of FMMPL considering it as most appropriate method in the present case and assigned 100% weightage to this approach.

Under DCF Method, the value of FMMPL is based on its capacity to generate cash flows. There is some uncertainty associated with these cash flows. Thus, the challenge in valuing firms by using the DCF method is more perceptual than conceptual. The value of FMMPL is the present value of the expected cash flows from future cash flows discounted at  $K_e$ . These future cash flows are estimates based on certain parameters which are subject to various assumptions. The value of FMMPL rests entirely on its future growth potential.

The inputs for the valuation have to be estimated and such estimations may not always yield the expected results. The estimates of future growth are based on the competence of the management and their capacity to convert a promising idea into a commercial success.

### **PREMISE OF VALUE**

The Company is valued on a “value in use” or going-concern premise. This premise assumes that the Company is Going concern value is the value of a business enterprise that is expected to continue to operate in the future.

### **VIII. Basis for arriving at Fair Value:**

Based on the discussions in the preceding paragraphs w.r.t valuation methodologies as well as regulatory requirements,

For FMMPL we have considered DCF Method (which is one of the internationally acceptable methods for valuation for the evaluation of Equity Shares of FMMPL considering it as most appropriate method in the present case and assigned 100% weightage to this approach.

Under DCF Method, the value of FMMPL is based on its capacity to generate cash flows. There is some uncertainty associated with these cash flows. Thus, the challenge in valuing firms by using the DCF method is more perceptual than conceptual. The value of FMMPL is the present value of the expected cash flows from future cash flows discounted at WACC. These future cash flows are estimates based on certain parameters which are subject to various assumptions. The value of FMMPL rests entirely on its future growth potential.

For FFL we have considered Market Price Method (which is one of the internationally acceptable methods for valuation for the evaluation of Equity Shares of FFL considering it as most appropriate method in the present case and assigned 100% weightage to this approach.

The inputs for the valuation have to be estimated and such estimations may not always yield the expected results. The estimates of future growth are based on the competence of the management and their capacity to convert a promising idea into a commercial success.

**IX. Valuation:**

**FILATEX MINES AND MINERALS PRIVATE LIMITED**

**Financial Projections:**

**Balance sheet:**

**(Rs.in lakhs)**

<b>Particulars</b>	<b>2023-24 Proj</b>	<b>2024-25 Proj</b>	<b>2025-26 Proj</b>	<b>2026-27 Proj</b>	<b>2027-28 Proj</b>	<b>2028-29 Proj</b>	<b>2029-30 Proj</b>
<b>Source of Funds</b>							
Share Capital	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Reserves & Surplus	4,140	14,057	29,253	51,191	81,583	1,17,615	1,59,812
Borrowings (Quasi Equity)	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Borrowings (banks)	-	-	-				
<b>Current Liabilities</b>							
Trade Payables	1,683	2,377	3,136	3,964	4,868	5,111	5,367
Short-term Provisions	1,455	3,484	5,339	7,708	10,678	12,660	14,826
Other Current Liabilities	180	325	450	596	766	847	925
<b>Total</b>	<b>13,058</b>	<b>25,843</b>	<b>43,778</b>	<b>69,059</b>	<b>1,03,495</b>	<b>1,41,833</b>	<b>1,86,531</b>
<b>Application of Funds</b>							
Fixed Assets	100	1,600	2,600	2,600	2,600	2,600	2,600
Add: Additions	1,500	1,000	-	-	-	-	-
Less: Prov for depreciation	160	420	680	940	1,200	1,460	1,720
<b>Fixed Assets (net block)</b>	<b>1,340</b>	<b>2,080</b>	<b>1,820</b>	<b>1,560</b>	<b>1,300</b>	<b>1,040</b>	<b>780</b>
<b>Current Assets</b>							
Inventories	3,232	3,850	4,644	5,638	6,854	8,178	9,617
Trade Receivables	2,072	5,631	7,783	10,308	13,261	14,587	16,045
Cash & Bank	5,644	13,436	28,600	50,529	80,954	1,16,788	1,58,724
Other Current Assets	770	847	932	1,025	1,127	1,240	1,364
<b>Total</b>	<b>13,058</b>	<b>25,843</b>	<b>43,778</b>	<b>69,059</b>	<b>1,03,495</b>	<b>1,41,833</b>	<b>1,86,531</b>

**SRI RANGA GORANTLA,**REGISTERED VALUER (Securities or Financial Assets)  
REGN NO. IBBI/RV/02/2019/11253**Profit and Loss Account:****(Rs. in Lakhs)**

<b>Particulars</b>	<b>2023-24 Proj</b>	<b>2024-25 Proj</b>	<b>2025-26 Proj</b>	<b>2026-27 Proj</b>	<b>2027-28 Proj</b>	<b>2028-29 Proj</b>	<b>2029-30 Proj</b>
Gross Sales Revenue	24,860	45,049	62,260	82,463	1,06,084	1,16,693	1,28,362
Other Income	497	901	1,245	1,649	2,122	2,917	3,466
<b>Total Income</b>	<b>25,357</b>	<b>45,950</b>	<b>63,506</b>	<b>84,113</b>	<b>1,08,206</b>	<b>1,19,610</b>	1,31,828
Direct Costs	20,198	28,521	37,626	47,571	58,415	61,336	64,403
Change In Inventory	-3,232	-618	-795	-993	-1,217	-1,324	-1,439
Employee Benefit Expenses	1,268	2,298	3,175	4,206	5,410	5,980	6,591
Administr ation & Selling Expenses	887	1,608	2,223	2,944	3,787	4,186	4,509
<b>EBIDTA</b>	<b>6,235</b>	<b>14,141</b>	<b>21,276</b>	<b>30,386</b>	<b>41,810</b>	<b>49,431</b>	<b>57,764</b>
Depreciation & Amortization	160	260	260	260	260	260	260
Finance Charges	480	480	480	480	480	480	480
<b>PBT</b>	<b>5,595</b>	<b>13,401</b>	<b>20,536</b>	<b>29,646</b>	<b>41,070</b>	<b>48,691</b>	<b>57,024</b>
Tax Expenses	1,455	3,484	5,339	7,708	10,678	12,660	14,826
<b>PAT</b>	<b>4,140</b>	<b>9,917</b>	<b>15,196</b>	<b>21,938</b>	<b>30,392</b>	<b>36,032</b>	<b>42,198</b>

**We have computed the Value of Equity Shares of FMMPL based on Discounted Cash Flow Method which is as mentioned below:**

(INR Lakhs)	
Particulars	Amount
<b>Discounted Cash Flow Analysis</b>	
Primary value	90,574.16
Terminal value	1,34,447.99
<b>Enterprise Value as on 15<sup>th</sup> June 2023</b>	<b>2,25,272.15</b>
Less: Debt as on 15 <sup>th</sup> June 2023	-
Add: Cash and cash equivalents as on 15 <sup>th</sup> June 2023	250.00
<b>Equity Value</b>	<b>2,25,272.15</b>
<b>No.of shares ( Existing)</b>	<b>16,00,000</b>
<b>Per share value in Rs ( Round off )</b>	<b>140.80</b>

We have formed an opinion on the Fair Value of Equity Shares based on the information provided by the Management of FFL. We are of the opinion that as on Valuation Date,

***The Total Value of FILATEX MINES AND MINERALS PRIVATE LIMITED (FMMPL) is Rs. 2,25,272.15 Lakhs having 16,00,00,000 numbers of equivalent equity shares at the face value of Rs. 1/- each.***

***Fair Value of one Equity Share having face value of Rs. 1/- each is Rs.140.80/- (Rupees One Hundred Fourty and Eighty Paise only).***

The valuation is subject to the information as made available to us by the Management of FFL and no specific audit has been carried on the same.

## Filatex Fashions Limited

We have computed the Value of Equity Shares of FFL based on Market Price Method which is as mentioned below:

Average of the volume weighted average price (VWAP) of the equity shares of FILATEX FASHIONS LIMITED quoted on the BSE Limited during the 90 trading days preceding the relevant date (considering relevant date as 16.06.2023)

S.no.	Date	No. of Shares	Total Turnover (Rs.)
1.	15-Jun-23	233684	2890097
2.	14-Jun-23	206346	2628381
3.	13-Jun-23	307258	3967438
4.	12-Jun-23	226277	2861573
5.	09-Jun-23	242077	3133166
6.	08-Jun-23	419562	5819501
7.	07-Jun-23	585275	8483435
8.	06-Jun-23	1027585	13988670
9.	05-Jun-23	875299	10981055
10.	02-Jun-23	216571	2538769
11.	01-Jun-23	129614	1495498
12.	31-May-23	156331	1829145
13.	30-May-23	73932	873975
14.	29-May-23	76948	922942
15.	26-May-23	226276	2723287
16.	25-May-23	94194	1143224
17.	24-May-23	240628	2884694
18.	23-May-23	517810	6190259
19.	22-May-23	414146	5076518
20.	19-May-23	360959	4493712
21.	18-May-23	226416	2775895
22.	17-May-23	257171	3124782
23.	16-May-23	244700	2980596
24.	15-May-23	189684	2380715
25.	12-May-23	323622	4069995
26.	11-May-23	519875	6429982
27.	10-May-23	168945	2017597
28.	09-May-23	185886	2243612
29.	08-May-23	180130	2179313
30.	05-May-23	252794	3048654
31.	04-May-23	289040	3483798
32.	03-May-23	208663	2518921
33.	02-May-23	366589	4644657

**SRI RANGA GORANTLA,****REGISTERED VALUER (Securities or Financial Assets)  
REGN NO. IBBI/RV/02/2019/11253**

34.	28-Apr-23	305264	4228171
35.	27-Apr-23	657000	8933661
36.	26-Apr-23	480143	6103997
37.	25-Apr-23	455651	5485101
38.	24-Apr-23	228035	2805831
39.	21-Apr-23	102421	1286967
40.	20-Apr-23	132284	1674055
41.	19-Apr-23	150035	1901256
42.	18-Apr-23	127951	1659400
43.	17-Apr-23	78519	1040888
44.	13-Apr-23	135240	1827465
45.	12-Apr-23	158423	2139522
46.	11-Apr-23	234393	3195065
47.	10-Apr-23	136509	1890351
48.	06-Apr-23	211686	2998079
49.	05-Apr-23	138735	2016945
50.	03-Apr-23	108003	1529613
51.	31-Mar-23	629635	8908837
52.	29-Mar-23	406886	5377882
53.	28-Mar-23	376634	5042770
54.	27-Mar-23	240850	3386556
55.	24-Mar-23	265407	3884423
56.	23-Mar-23	508918	7602930
57.	22-Mar-23	555745	8092603
58.	21-Mar-23	1230975	16726539
59.	20-Mar-23	248209	3350161
60.	17-Mar-23	350514	4903264
61.	16-Mar-23	805052	11229460
62.	15-Mar-23	578240	8229532
63.	14-Mar-23	437873	6293509
64.	13-Mar-23	267640	4022664
65.	10-Mar-23	281192	4433024
66.	09-Mar-23	267324	4344039
67.	08-Mar-23	165669	2705327
68.	06-Mar-23	459474	7696167
69.	03-Mar-23	562895	9709271
70.	02-Mar-23	241484	4189424
71.	01-Mar-23	528459	9162859
72.	28-Feb-23	597679	9969999
73.	27-Feb-23	975047	14778728
74.	24-Feb-23	90816	1396097
75.	23-Feb-23	256959	3986901
76.	22-Feb-23	103535	1662643

77.	21-Feb-23	330121	5218335
78.	20-Feb-23	203000	3249226
79.	17-Feb-23	109379	1801326
80.	16-Feb-23	121594	2015570
81.	15-Feb-23	192998	3213681
82.	14-Feb-23	134256	2253418
83.	13-Feb-23	63588	1099235
84.	10-Feb-23	48766	852651
85.	09-Feb-23	257987	4405287
86.	08-Feb-23	243265	4164095
87.	07-Feb-23	287784	4831791
88.	06-Feb-23	184297	3284716
89.	03-Feb-23	300838	5413342
90.	02-Feb-23	312753	5433193
<b>Total Turnover</b>			<b>395861698</b>
<b>Total Number of Shares traded</b>			<b>28108316</b>
<b>Average Value</b>			<b>14.08</b>

**Average of the volume weighted average price (VWAP) of the equity shares of FILATEX FASHIONS LIMITED quoted on the BSE Limited during the 10 trading days preceding the relevant date (considering relevant date as 16.06.2023)**

S.no.	Date	No. of Shares	Total Turnover (Rs.)
1.	15-Jun-23	233684	2890097
2.	14-Jun-23	206346	2628381
3.	13-Jun-23	307258	3967438
4.	12-Jun-23	226277	2861573
5.	09-Jun-23	242077	3133166
6.	08-Jun-23	419562	5819501
7.	07-Jun-23	585275	8483435
8.	06-Jun-23	1027585	13988670
9.	05-Jun-23	875299	10981055
10.	02-Jun-23	216571	2538769
<b>Total Turnover</b>			<b>57292085</b>
<b>Total Number of Shares traded</b>			<b>4339934</b>
<b>Average Value</b>			<b>13.20</b>

**A. Average of 90 trading days : 14.08**

**B. Average of 10 trading days : 13.20**

**Applicable Minimum price (Higher of A or B): Rs. 14.08**

The relevant "stock exchange" is BSE since the trading volume in respect of the equity shares of the Company traded .

**X. Swap Ratio**

Based on the above methods of Valuation adopted by us, in our opinion, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, allotment of 10 shares of Rs 5/- each in the FILATEX FASHIONS LIMITED to the FILATEX MINES AND MINERALS PRIVATE LIMITED shareholders for every 1 Equity Share of Rs.1/- each .

<b>SNAPSHOT OF WORKINGS</b>	
<b>PARTICULARS</b>	<b>RS. PS</b>
Fair Value of One Equity Share of FILATEX MINES AND MINERALS PRIVATE LIMITED (A)	140.80
Fair Value of One Equity Share of Filatex Fashions Limited (B)	14.08
No of share to be allotted to shareholders of Filatex Mines and Mineral Private Limited - (C) = (A) / (B)	10 Share

**XI. Disclaimer/Limitations on the Valuation of Equity Shares For the purpose of management's internal evaluation of FILATEX FASHIONS LIMITED (FFL).**

Our report is subject to the scope of limitations detailed hereinafter. As such the report is to be read in totality and not in parts. This report has been prepared solely for the purpose set out in this report and should not be made available to any other person, distributed, published or reproduced (in part or otherwise) in any other document whatsoever, without our written consent save and except for the limited purpose of this report.

Our report is subject to the scope of limitations detailed hereinafter. As such the report is to be read in totality and not in parts. This report has been prepared solely for the purpose set out in this report and should not be made available to any other person, distributed, published or reproduced (in part or otherwise) in any other document whatsoever, without our written consent save and except for the limited purpose of this report.

1) Our study did not include the following: -

- An audit of the financial statements of FFL & FMMPL.
- Carrying out a market survey / financial feasibility for the Business of FFL & FMMPL.
- Financial and Legal due diligence of FFL & FMMPL.

2) Our valuation is based on the premise that the information provided to us being complete and accurate in all material aspect.

3) Our value analysis is based on the information made available to us by the management of FFL & FMMPL and the information obtained by us from public domain as mentioned in the report. Any subsequent changes/modifications/revisions (either positive or negative) to the financial

parameters and other information provided to us, may alter the result of value analysis set out in this report, positively or negatively.

- 4) The valuation of the business is based on various assumptions made by the Company relating to the operations of its businesses. Any change in these assumptions could have an impact on its valuation.
- 5) Our compensation for completing this assignment is fee-based and is not contingent upon the development or reporting of a predetermined or direction in that favors the cause of the client, the outcome of the valuation, the amount of the opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 6) Public information and industry and statistical information have been obtained from sources we believe to be reliable. However, we make no representation as to the accuracy or completeness of such information and have performed no procedures to corroborate the information.
- 7) Our work did not constitute an audit in accordance with Indian GAAP/ International Financial Reporting Standards and all other applicable accounting practices and procedures and examination/review of internal controls or other attestation or review services. Accordingly, we do not express an opinion on the information presented.
- 8) It may be noted that in carrying out our work we have relied on the integrity of the information provided to us by the management of FFL & FMMPL and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.
- 9) We have reviewed the information made available to us for overall consistency and have not carried out any detailed tests in the nature of audit to establish the accuracy of such representations with respect to the accuracy or completeness of any information provided by FFL & FMMPL.
- 10) We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents of FFL & FMMPL other than those stated above. We have not

made any independent verification of the physical assets of FFL & FMMPL and accept no responsibility for the same.

- 11) It should be noted that for the purpose of determining Fair Value of Equity Shares of FFL & FMMPL as on Valuation date, we have not considered the impact of any events on the valuation of FFL & FMMPL, which have occurred post the date of the valuation except mentioned in this report.
- 12) Our scope of work does not include verification of data submitted by the management of FFL & FMMPL and has been relied upon by us as such.
- 13) We understand that the management of FFL, during our discussions with them, would have drawn our attention to all such information and matters, which may have had an impact on our valuation. In this report we have included all such information and matters as was received by us from the management of FFL & FMMPL.
- 14) This valuation report should not be regarded as a recommendation to invest in or deal in any form of securities of the FFL & FMMPL and should also not be considered as its final equity value.
- 15) The Management or related parties of the FFL & FMMPL, its Shareholders and its subsidiaries/ associates/ group companies are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.
- 16) We have not verified the authenticity of the actual purpose for obtaining this valuation report and have done a pure mathematical calculation based on the information provided to us by the management of FFL & FMMPL. This report is issued at the request of FFL & FMMPL for the purpose as mentioned in the first para of this report.
- 17) I have not conducted any examination in respect of the technical feasibility of the projects and intellectual products owned by the Company.
- 18) The report assumes all required licenses, certificates of occupancy, consents,

or legislative or administrative authority from any local, state, or national government or private company or organization have been or can be obtained or reviewed for any use on which the opinion contained in the report is based.

- 19) No investigation of the Company's claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. The report is not, nor should it be construed, as our opining or certifying the compliance with the provisions of any law, including but not limited to, Circulars/ Guidelines/ Notifications / Rules/ Regulations etc. issued by the Reserve Bank of India, Companies Act, Tax Laws and Capital Market related laws by FFL & FMMPL
- 20) We will receive a fee for our services in connection with the delivery of this Valuation Report from FFL and our fee is not contingent upon the result of proposed transaction. RV's appointment was formalized via engagement letter dated 10-06- 2023.
- 21)The valuation worksheets prepared for the exercise are proprietary to valuers and cannot be shared. Any clarifications on the workings will be provided on request, prior to finalizing the Report, as per the terms of our engagement.
- 22) This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified as above, under any Indian or Foreign Law, Statute, Act, Guidelines or similar instructions. We would not be responsible for any litigation or other actual or threatened claims.
- 23) In no event, will RV, its associates and employees, be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this engagement.

**SRI RANGA GORANTLA,**

**REGISTERED VALUER (Securities or Financial Assets)  
REGN NO. IBBI/RV/02/2019/11253**

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

**SRI RANGA GORANTLA,**

**REGISTERED VALUER (Securities or Financial Assets)**

**REGN NO. IBBI/RV/02/2019/11253**

**COP No. IOVRV00479SFA**

**UDIN: 23222450BGWNAC4343**

Date: 16<sup>th</sup> June 2023

Place: Hyderabad