

Report
on
Fair valuation
of
equity shares
of
Hindustan Foods Limited

Relevant date
20th September, 2023

Report Date
22nd September, 2023

Prepared by
FCA Payal Gada
Registered Valuer/Chartered Accountant

S-15, 2nd floor, Sej Plaza, Marve Road, Malad (West), Mumbai-400064
E-mail: payal@payalgadaco.in
Mob: 9820562075
Tel:(022)28012075

FCA PAYAL GADA

REGISTERED VALUER (SFA)

**S-15, Sej Plaza, 2nd Floor, Near Nutan School, Marve Road, Malad(W),
Mumbai – 400064**

E- Mail: payal@payalgadaco.in

Ph.:022-28012075|Mob:9820562075

22nd September, 2023

To,

The Board of Directors

Hindustan Foods Limited

Office No 03, Level 02, Centrium, Phoenix Market City, 15,

Lal Bahadur Shastri Road, Kurla,

Mumbai - 400070

Dear Sir,

**Sub: Valuation report on determination of fair equity valuation of
Hindustan Foods Limited**

Hindustan Foods Limited ("Hindustan" or "HFL" or "the Company" or "Issuer Company") is an Indian Company listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

The Company is proposing to issue and allot Warrants which will be converted in to equity shares to Qualified Institutional Buyers and Non-Qualified Institutional Buyers (Proposed Allottee(s) or "Acquirer(s) or "Non-Promoter") at fair value on a preferential basis.

The equity shares of the Company are frequently traded as per provisions of Regulation 164(5) of the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022 ("ICDR Regulations").

The Articles of Association("AOA") of the Company do not categorically mention about the pricing of preferential issue. Further, Regulation 166A of the ICDR Regulation, requires, the Issuer Company to obtain a valuation report for price determination for the preferential issue.

As such, the Company needs fair valuation to compute the price for preferential issue of equity shares.

In this regard, the Company has engaged **FCA Payal Gada, a Chartered Accountant (ICAI Membership No: 110424)** and **an Independent Valuer**, , in her capacity as a **Registered Valuer**"; under the category of **Securities or Financial Assets**, registered with the Insolvency and Bankruptcy Board of India ("IBBIs, **IBBI Registration No. IBBI/RV/06/2019/11170** ("PG" or "We"), as defined in Regulation 2(kkk) of ICDR Regulations, to report on the fair equity valuation of the Company for the proposed preferential issue.



**FCA PAYAL GADA
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On the basis of our valuation as discussed under 'Valuation Analysis' Section of this report, the fair equity value of Hindustan as at 20th September, 2023("relevant date or Valuation date") is summarized as under –

Annexure I(a) - Fair Valuation Summary						
Valuation Approach	Valuation method	Unit	AVG			
			Annexure Reference	Value	Weight	Weighted Value
				INR per equity share		
				(i)	(ii)	(iii) = (i) * (ii)
Market	Market price (#)	INR per share	A	563.86	100%	563.86
Market	Comparable Companies Multiple	INR per share	B	505.15	0%	-
Income	Discounted Cash Flow (##)	INR per share		-	-	-
Income	Earnings Capitalisation method	INR per share	C	522.32	0%	-
Asset	Net Asset Value	INR per share	D	35.33	0%	-
Fair Value		INR per share			100%	563.86
Note : (#) Since the value under the Market Price Method (as per the Regulation 164(1) - ICDR Regulations) is the maximum, we have given 100% weight to the value computed using the Market Price Method under Market Approach						
Note : (##) We could not use Discounted Cash Flow method under the Income Approach, as based on the representations, from the Management, we understand that the projections/business forecasts of HFL would be price sensitive information, and as such, not made available to us.						

On the basis of our fair valuation, as summarized above in Annexure I, the floor Price for preferential issue, in accordance with Regulation 166A and the pricing guidelines under Regulation 164(1), as at 20th September, 2023("relevant date or Valuation date"), is summarized as under –

Valuation Summary of the Company under ICDR Regulations				
Particulars	Unit	Reference	Value	Remarks
Floor Price as Regulation 164(1)	INR per share	A	563.86	Refer Annexure A(iii)
Fair Value (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)	INR per share	B	563.86	Refer Annexure I(a)
Floor Price per share as per Regulation 166A(1)	INR per share	C=Max of A and B	563.86	



FCA PAYAL GADA
REGISTERED VALUER (SFA)

On the basis of our valuation as discussed under 'Valuation Analysis' Section of this report, the fair equity value of Hindustan as at 20th September, 2023("relevant date or Valuation date") is summarized as under –

Annexure I(b) - Fair Valuation Summary						
Valuation Approach	Valuation method	Unit	AVG			
			Annexure Reference	Value	Weight	Weighted Value
				INR per equity share		
				(i)	(ii)	(iii) = (i) *(ii)
Market	Market price (#)	INR per share	A	546.22	100%	546.22
Market	Comparable Companies Multiple	INR per share	B	505.15	0%	-
Income	Discounted Cash Flow (##)	INR per share		-	-	-
Income	Earnings Capitalisation method	INR per share	C	522.32	0%	-
Asset	Net Asset Value	INR per share	D	35.33	0%	-
Fair Value		INR per share			100%	546.22
Note : (#) Since the value under the Market Price Method (as per the Regulation 164(4) - ICDR Regulations) is the maximum, we have given 100% weight to the value computed using the Market Price Method under Market Approach						
Note : (##) We could not use Discounted Cash Flow method under the Income Approach, as based on the representations, from the Management, we understand that the projections/business forecasts of HFL would be price sensitive information, and as such, not made available to us.						

On the basis of our fair valuation, as summarized above in Annexure I, the floor Price for preferential issue , in accordance with Regulation 166A and the pricing guidelines under Regulation 164(4), as at 20th September, 2023("relevant date or Valuation date") , is summarized as under –

Valuation Summary of the Company under ICDR Regulations				
Particulars	Unit	Reference	Value	Remarks
Floor Price as Regulation 164(4)	INR per share	A	546.22	Refer Annexure A(iv)
Fair Value (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)	INR per share	B	546.22	Refer Annexure I(b)
Floor Price per share as per Regulation 166A(1)	INR per share	C=Max of A and B	546.22	

Please find enclosed herewith our narrative report containing our valuation analysis and valuation conclusions.

Payal Gada, Chartered Accountant
Registered valuer

IBBI Registration Number.: IBBI/RV/06/2019/11170

ICAI Membership No:110424

UDIN: 23110424BGQJSQ8116



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Abbreviations forming part of the Report

BSE	- BSE Limited
NSE	- National Stock Exchange of India Limited
QE	- Quarter ended
FY	- Financial Year
FYE	- Financial Year ended
INR	- Indian Rupee
Lacs	- Lakhs
IBBI	- The Insolvency and Bankruptcy Board of India
ICAI	- The Institute of Chartered Accountants of India
IVS	- ICAI Valuation Standards
RV(SFA)	- Registered Valuer (Securities & Financial Assets)
UDIN	- Unique Document Identification number.
PG	- FCA RV Payal Gada
Relevant date / Valuation date	- 20th September, 2023
EGM	- Meeting of shareholders
SEBI	- The Securities & Exchange Board of India
ICDR	- Issue of Capital and Disclosure Requirements
HFL/Hindustan/ Company	- Hindustan Foods Limited d
ICDR Regulations	- Issue of Capital and Disclosure Requirements (Amendment)Regulations, 2022
P/E Multiple	- Price to Earnings Multiple
P/B Multiple	- Price to Book Multiple
EPS	- Earnings Per share
PE	- Period ended
HYE	- Half year ended
TTM	- Twelve months trailing
Management	- Authorised personnel of the Company
AOA	- Articles of Association of the Company



Engagement Background and purpose of valuation

Hindustan Foods Limited ("Hindustan" or "HFL" or "the Company" or "Issuer Company") is an Indian Company listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

The Company is proposing to issue and allot Warrants which will be converted in to equity shares to Qualified Institutional Buyers and Non-Qualified Institutional Buyers (Proposed Allottee(s) or "Acquirer(s) or "Non-Promoter") at fair value on a preferential basis.

The equity shares of the Company are frequently traded as per provisions of Regulation 164(5) of the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022 ("ICDR Regulations").

The Articles of Association ("AOA") of the Company do not categorically mention about the pricing of preferential issue. Further, Regulation 166A of the ICDR Regulation, requires, the Issuer Company to obtain a valuation report for price determination for the preferential issue. As such, the Company needs fair valuation to compute the price for preferential issue of equity shares.

In this regard, the Company has engaged **FCA Payal Gada, a Chartered Accountant (ICAI Membership No: 110424)** and **an Independent Valuer, ,** in her capacity as a **Registered Valuer**"; under the category of **Securities or Financial Assets**, registered with the Insolvency and Bankruptcy Board of India ("IBBI", **IBBI Registration No. IBBI/RV/06/2019/11170** ("PG" or "We"), as defined in Regulation 2(kkk) of ICDR Regulations, to report on the fair equity valuation of the Company for the proposed preferential issue.

FCA Payal Gada has more than 10 years of work experience. It is our understanding that this report will not be used for any other purpose, other than that stated herein.

Since the equity shares of Hindustan are frequently traded , we have given due cognizance to the pricing guidelines as prescribed under Part IV of Chapter V of SEBI ICDR Regulations. This valuation report is our deliverable for this engagement

Base and premise of Valuation

For the purpose of arriving at the valuation of Hindustan, I have considered the valuation base as "Fair Market Value". My valuation and this report are based on the premise of "Going Concern". Any change in the valuation base or premise could have a significant impact on my valuation exercise and therefore, this valuation report.

Disclosure of Valuer Interest

I have no present or prospective contemplated financial interest in Hindustan, and I have no personal interest with respect to the Promoters & Board of Directors of Hindustan. I have no bias/prejudice with respect to any matter that is the subject of the valuation report or to the parties involved with this engagement.



General Overview of the Company

Hindustan Foods Limited (the 'Company' or the 'Holding Company') is a public company domiciled in India and was incorporated in the year 1984 under the provisions of the Companies Act, 1956 applicable in India. The registered and principal office of business for the Company is located at office No. 03, Level 2, Centrium, Phoenix Market City, Kurla, Mumbai- 400070. The Holding Company, its subsidiaries (the Holding Company, its subsidiaries together referred to as 'Group') are mainly engaged in the business of contract manufacturing of FMCG products comprising primarily of home care, personal care, foods and beverages and job working of shoes.

The company has its Equity Shares listed on on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

The Articles of Association("AOA") of the Company do not categorically mention about the pricing of preferential issue. The Company, hence, needs a fair valuation report on valuation of equity shares of Hindustan for computation of the price for preferential issue of equity shares.

Capital Structure (#)

Details of issued, Subscribed and paid up Share capital of the Company as on the valuation date		
<u>Type of security</u>	<u>Number of shares</u>	<u>Share Capital (#)</u>
		<u>INR Lacs</u>
Equity	11,27,42,690	2,254.85
Total	11,27,42,690	2,254.85
<i>Source: Published results (as per IND AS) on BSE Ltd</i>		

Share holding pattern

Shareholding pattern as on date		
<u>Particulars</u>	<u>No of shares held</u>	<u>% of holding</u>
Promoter and Promoter Group	7,31,09,975	64.8%
Public	3,96,32,715	35.2%
Total	11,27,42,690	100.0%
<i>Source: BSE Ltd</i>		



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Historical Financial Information Overview

Statement of Net worth – As per Consolidated Financial statements

<u>Particulars</u>	<u>Unit</u>	<u>As at 31.3.22</u>	<u>As at 31.03.23</u>
		<u>Audited</u>	<u>Audited</u>
Equity Share capital	INR Lacs	2,254.86	2,254.86
Other Equity	INR Lacs	28,158.12	35,238.17
Non-controlling interest	INR Lacs	-	-
Net Worth	INR Lacs	30,412.98	37,493.03
<i>Source : Consolidated Published Results ,as of the valuation report date</i>			

Statement of Profit and Loss Account – As per consolidated financial statements

<u>Particulars</u>	<u>Unit</u>	<u>FYE 31.03.22</u>	<u>FYE 31.03.23</u>	<u>QE 30.6.23</u>
		<u>Audited</u>	<u>Audited</u>	<u>Unaudited</u>
Revenue from Operations	INR Lacs	2,04,010.49	2,59,813.06	61924.94
Profit (Loss) for the year ,before other comprehensive income (loss)	INR Lacs	4,466.32	7,111.71	2,337.15
Other Comprehensive income(loss)	INR Lacs	80.87	-31.67	5.15
Profit (Loss) for the year	INR Lacs	4,547.19	7,080.04	2,342.30
<i>Source : Consolidated Published Results ,as of the valuation report date</i>				



Valuation Approach and Methodology

The shares of the Company should be valued as per commonly used and internationally accepted methods of valuation to determine fair price of such shares. We have considered the ICAI Valuation Standards 20[as issued by the Institute of Chartered Accountants of India as well as other International Valuation Standards.

For the valuation, the commonly used and accepted methods ,to the extent relevant and applicable, are as under:

1. Market Price method
2. Comparable Companies' Multiples method / Guideline Company method
3. Discounted Cash Flows method
4. Net Asset Value method

It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic condition, many of which are beyond the control of the Companies. In addition, this valuation will fluctuate with changes in prevailing market condition, the condition and prospects, financial and otherwise, of the Companies, and other factors which generally influence the valuation of companies and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.



Market Value Method under Market approach:

Regulation 164(5) of Chapter IV of SEBI ICDR Regulations reads as under-

For the purpose of this Chapter, "Frequently traded shares" means 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 the shares of the issuer.

Explanation: For the purpose of this regulation, 'stock exchange' means any of the recognized 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."

The equity shares of the Company are traded on the NSE and the BSE. However, as per Explanation to regulation 164(5) of the SEBI ICDR Regulations, the exchange on which higher trading volume of equity shares during the preceding 90 trading days prior to the relevant date, is recorded, is to be considered for the pricing computation.

Relevant date in case of preferential issue of equity shares is defined in regulation 161(a) "the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue". In this case the meeting of the shareholders is proposed to be held on 20th October, 2023 and as such the relevant date for computation of trading volume is **20th September, 2023**. Since the day preceding the relevant date is a holiday, we have considered market price and trading volume as of 18th September, 2023

Details of trading volume on the NSE and BSE for 90 trading days prior to the relevant date is summarized as under-

Number of trading days preceding the relevant date	Total trading volume of equity shares	
	NSE	BSE
90	66,91,580	11,20,117
Source : BSE Ltd and NSE		

Since NSE has recorded highest trading volume in respect of equity shares during the preceding 90 trading days prior to the relevant date, we have considered market price on NSE to compute the Applicable Minimum Price based on the regulations 164(1) and Regulation 164(4) of the SEBI ICDR regulations.

Detailed day wise trading volume for 90 trading days prior to the relevant date is attached as **Annexure A(i)**



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In this case **12.64%** of the total number of shares are traded during the 240 trading days preceding the relevant date as detailed in **Annexure A(ii)**

Applicable Minimum Price under ICDR Regulations is summarized as under-

Annexure A(i) -	Fair Market Valuation of the Company using the Market Price method under Regulation 164(1)				
Relevant date	Wednesday, 20 September 2023				
Relevant Exchange	NSE				
Particulars	Annexure Reference		Reference	Unit	Price INR
Volume weighted average price ("VWAP") of 90 trading days preceding the relevant date	A	(iii)	A	INR per share	563.86
Volume weighted average price ("VWAP") of 10 trading days preceding the relevant date	A	(iv)	B	INR per share	546.22
Market price as per Regulation 164(1) of ICDR			C = Higher of A and B	INR per share	563.86

Valuation Summary of the Company under ICDR Regulations				
Particulars	Unit	Reference	Value	Remarks
Floor Price as Regulation 164(1)	INR per share	A	563.86	Refer Annexure A
Fair Value (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)	INR per share	B	563.86	Refer Annexure I
Floor Price per share as per Regulation 166A(1)	INR per share	C=Max of A and B	563.86	

Volume weighted average price ("VWAP") of 90 trading days preceding the relevant date is attached as **Annexure A(iii)**.

Volume weighted average price ("VWAP") of 10 trading days preceding the relevant date attached as **Annexure A(iv)**.



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Annexure A(i) - Day wise trading volume for 90 trading days prior to the relevant date

<u>Annexure A(i) -</u>		<u>Day wise trading volume for 90 trading days prior to the relevant date</u>	
Day number	Date	NSE	BSE
1	12-May-23	24,848	13,276
2	15-May-23	21,050	9,525
3	16-May-23	19,966	3,905
4	17-May-23	18,388	5,095
5	18-May-23	22,297	1,386
6	19-May-23	1,52,514	17,397
7	22-May-23	55,957	13,554
8	23-May-23	47,738	4,598
9	24-May-23	31,267	7,940
10	25-May-23	51,047	4,013
11	26-May-23	39,505	8,015
12	29-May-23	34,162	8,152
13	30-May-23	52,710	3,856
14	31-May-23	54,316	5,208
15	01-Jun-23	59,545	2,802
16	02-Jun-23	38,518	10,508
17	05-Jun-23	66,897	17,327
18	06-Jun-23	90,764	13,178
19	07-Jun-23	59,195	15,312
20	08-Jun-23	34,519	2,488
21	09-Jun-23	45,142	9,356
22	12-Jun-23	53,640	2,915
23	13-Jun-23	73,781	12,492
24	14-Jun-23	40,896	8,708
25	15-Jun-23	34,718	7,491
26	16-Jun-23	45,021	10,331
27	19-Jun-23	61,716	11,205
28	20-Jun-23	55,613	9,349
29	21-Jun-23	76,161	7,903
30	22-Jun-23	45,130	11,976
31	23-Jun-23	46,630	4,317
32	26-Jun-23	39,546	10,717
33	27-Jun-23	46,081	10,279
34	28-Jun-23	58,730	3,313
35	30-Jun-23	1,79,807	40,482
36	03-Jul-23	13,90,500	1,32,567
37	04-Jul-23	3,53,963	50,608
38	05-Jul-23	1,02,510	6,942
39	06-Jul-23	61,795	16,620
40	07-Jul-23	43,321	12,784



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Annexure A(i) -		Day wise trading volume for 90 trading days prior to the relevant date	
Day number	Date	NSE	BSE
41	10-Jul-23	54,111	19,061
42	11-Jul-23	70,294	26,670
43	12-Jul-23	39,083	2,420
44	13-Jul-23	33,185	10,780
45	14-Jul-23	35,615	3,542
46	17-Jul-23	68,581	23,610
47	18-Jul-23	33,741	2,567
48	19-Jul-23	1,76,165	33,976
49	20-Jul-23	72,724	7,259
50	21-Jul-23	47,215	5,814
51	24-Jul-23	63,707	7,043
52	25-Jul-23	64,401	30,213
53	26-Jul-23	36,709	3,960
54	27-Jul-23	28,770	10,040
55	28-Jul-23	30,218	3,596
56	31-Jul-23	40,655	7,422
57	01-Aug-23	39,459	3,644
58	02-Aug-23	38,663	1,868
59	03-Aug-23	34,054	9,702
60	04-Aug-23	49,479	2,518
61	07-Aug-23	26,861	7,115
62	08-Aug-23	28,002	6,678
63	09-Aug-23	29,569	2,535
64	10-Aug-23	27,395	2,468
65	11-Aug-23	30,259	8,256
66	14-Aug-23	70,152	14,418
67	16-Aug-23	79,697	15,365
68	17-Aug-23	1,25,983	20,215
69	18-Aug-23	66,142	12,485
70	21-Aug-23	71,056	13,170
71	22-Aug-23	65,286	10,180
72	23-Aug-23	76,749	4,611
73	24-Aug-23	54,431	13,424
74	25-Aug-23	52,083	13,359
75	28-Aug-23	40,210	9,104
76	29-Aug-23	67,307	12,930
77	30-Aug-23	83,538	22,884
78	31-Aug-23	46,923	15,254
79	01-Sep-23	71,054	7,646
80	04-Sep-23	63,739	18,228
81	05-Sep-23	63,244	6,893
82	06-Sep-23	56,400	16,168
83	07-Sep-23	80,480	24,031
84	08-Sep-23	58,469	4,217
85	11-Sep-23	98,587	16,041
86	12-Sep-23	76,328	8,878
87	13-Sep-23	41,643	12,469
88	14-Sep-23	31,782	8,936
89	15-Sep-23	74,298	25,578
90	18-Sep-23	47,180	2,986
Total Traded Quantity during the 90 trading days preceding the relevant date		66,91,580	11,20,117



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Annexure A(ii)- Total number of shares traded during the 240 trading days preceding the relevant date

Annexure A(ii) - Day wise trading volume for 240 trading days prior to the relevant date			
<u>Day Number</u>	<u>Date</u>	<u>Day of the week</u>	<u>Number of Shares traded on NSE during the day</u>
1	30-Sep-22	Friday	1,22,080
2	03-Oct-22	Monday	41,714
3	04-Oct-22	Tuesday	29,488
4	06-Oct-22	Thursday	22,527
5	07-Oct-22	Friday	33,237
6	10-Oct-22	Monday	23,803
7	11-Oct-22	Tuesday	26,530
8	12-Oct-22	Wednesday	14,839
9	13-Oct-22	Thursday	16,878
10	14-Oct-22	Friday	61,236
11	17-Oct-22	Monday	27,981
12	18-Oct-22	Tuesday	20,529
13	19-Oct-22	Wednesday	82,706
14	20-Oct-22	Thursday	94,291
15	21-Oct-22	Friday	37,005
16	24-Oct-22	Monday	17,579
17	25-Oct-22	Tuesday	30,879
18	27-Oct-22	Thursday	83,707
19	28-Oct-22	Friday	38,121
20	31-Oct-22	Monday	36,594
21	01-Nov-22	Tuesday	35,358
22	02-Nov-22	Wednesday	23,594
23	03-Nov-22	Thursday	29,757
24	04-Nov-22	Friday	24,994
25	07-Nov-22	Monday	25,899
26	09-Nov-22	Wednesday	53,641
27	10-Nov-22	Thursday	40,663
28	11-Nov-22	Friday	5,29,920
29	14-Nov-22	Monday	6,47,088
30	15-Nov-22	Tuesday	4,62,706
31	16-Nov-22	Wednesday	1,48,037
32	17-Nov-22	Thursday	1,00,570
33	18-Nov-22	Friday	95,758
34	21-Nov-22	Monday	1,03,676
35	22-Nov-22	Tuesday	1,60,706
36	23-Nov-22	Wednesday	2,01,388
37	24-Nov-22	Thursday	88,074
38	25-Nov-22	Friday	2,48,398
39	28-Nov-22	Monday	1,56,172
40	29-Nov-22	Tuesday	66,496
41	30-Nov-22	Wednesday	4,51,855
42	01-Dec-22	Thursday	1,64,897
43	02-Dec-22	Friday	70,361
44	05-Dec-22	Monday	1,27,378
45	06-Dec-22	Tuesday	30,795



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Annexure A(ii) - Day wise trading volume for 240 trading days prior to the relevant date			
Day Number	Date	Day of the week	Number of Shares traded on NSE during the day
46	07-Dec-22	Wednesday	32,658
47	08-Dec-22	Thursday	11,668
48	09-Dec-22	Friday	25,438
49	12-Dec-22	Monday	26,777
50	13-Dec-22	Tuesday	11,025
51	14-Dec-22	Wednesday	14,456
52	15-Dec-22	Thursday	30,571
53	16-Dec-22	Friday	49,647
54	19-Dec-22	Monday	24,813
55	20-Dec-22	Tuesday	65,740
56	21-Dec-22	Wednesday	60,470
57	22-Dec-22	Thursday	25,770
58	23-Dec-22	Friday	42,803
59	26-Dec-22	Monday	19,313
60	27-Dec-22	Tuesday	30,808
61	28-Dec-22	Wednesday	16,960
62	29-Dec-22	Thursday	12,883
63	30-Dec-22	Friday	25,222
64	02-Jan-23	Monday	12,168
65	03-Jan-23	Tuesday	9,781
66	04-Jan-23	Wednesday	21,129
67	05-Jan-23	Thursday	30,204
68	06-Jan-23	Friday	25,403
69	09-Jan-23	Monday	17,428
70	10-Jan-23	Tuesday	16,259
71	11-Jan-23	Wednesday	9,613
72	12-Jan-23	Thursday	13,028
73	13-Jan-23	Friday	9,563
74	16-Jan-23	Monday	7,646
75	17-Jan-23	Tuesday	11,627
76	18-Jan-23	Wednesday	8,310
77	19-Jan-23	Thursday	7,216
78	20-Jan-23	Friday	10,876
79	23-Jan-23	Monday	9,926
80	24-Jan-23	Tuesday	8,776
81	25-Jan-23	Wednesday	13,175
82	27-Jan-23	Friday	18,990
83	30-Jan-23	Monday	19,350
84	31-Jan-23	Tuesday	14,583
85	01-Feb-23	Wednesday	26,443
86	02-Feb-23	Thursday	14,873
87	03-Feb-23	Friday	11,356
88	06-Feb-23	Monday	21,614
89	07-Feb-23	Tuesday	19,438
90	08-Feb-23	Wednesday	18,944



FCA PAYAL GADA
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Annexure A(ii) - Day wise trading volume for 240 trading days prior to the relevant date			
Day Number	Date	Day of the week	Number of Shares traded on NSE during the day
91	09-Feb-23	Thursday	13,963
92	10-Feb-23	Friday	14,453
93	13-Feb-23	Monday	14,358
94	14-Feb-23	Tuesday	15,174
95	15-Feb-23	Wednesday	65,403
96	16-Feb-23	Thursday	62,767
97	17-Feb-23	Friday	6,577
98	20-Feb-23	Monday	15,342
99	21-Feb-23	Tuesday	13,684
100	22-Feb-23	Wednesday	16,051
101	23-Feb-23	Thursday	30,013
102	24-Feb-23	Friday	10,332
103	27-Feb-23	Monday	20,250
104	28-Feb-23	Tuesday	46,333
105	01-Mar-23	Wednesday	10,895
106	02-Mar-23	Thursday	11,013
107	03-Mar-23	Friday	16,797
108	06-Mar-23	Monday	21,501
109	08-Mar-23	Wednesday	22,292
110	09-Mar-23	Thursday	25,348
111	10-Mar-23	Friday	24,632
112	13-Mar-23	Monday	33,729
113	14-Mar-23	Tuesday	18,190
114	15-Mar-23	Wednesday	19,514
115	16-Mar-23	Thursday	21,395
116	17-Mar-23	Friday	20,888
117	20-Mar-23	Monday	19,851
118	21-Mar-23	Tuesday	15,857
119	22-Mar-23	Wednesday	13,428
120	23-Mar-23	Thursday	11,758
121	24-Mar-23	Friday	22,936
122	27-Mar-23	Monday	22,955
123	28-Mar-23	Tuesday	32,832
124	29-Mar-23	Wednesday	31,524
125	31-Mar-23	Friday	84,202
126	03-Apr-23	Monday	21,545
127	05-Apr-23	Wednesday	28,505
128	06-Apr-23	Thursday	31,800
129	10-Apr-23	Monday	32,782
130	11-Apr-23	Tuesday	1,16,358



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REGISTERED VALUER (SFA)

Annexure A(ii) - Day wise trading volume for 240 trading days prior to the relevant date			
Day Number	Date	Day of the week	Number of Shares traded on NSE during the day
131	12-Apr-23	Wednesday	91,441
132	13-Apr-23	Thursday	43,086
133	17-Apr-23	Monday	49,688
134	18-Apr-23	Tuesday	21,948
135	19-Apr-23	Wednesday	21,380
136	20-Apr-23	Thursday	17,100
137	21-Apr-23	Friday	9,429
138	24-Apr-23	Monday	20,567
139	25-Apr-23	Tuesday	27,613
140	26-Apr-23	Wednesday	35,704
141	27-Apr-23	Thursday	17,620
142	28-Apr-23	Friday	34,529
143	02-May-23	Tuesday	40,153
144	03-May-23	Wednesday	33,046
145	04-May-23	Thursday	22,578
146	05-May-23	Friday	13,468
147	08-May-23	Monday	20,405
148	09-May-23	Tuesday	32,816
149	10-May-23	Wednesday	22,250
150	11-May-23	Thursday	17,812
151	12-May-23	Friday	24,848
152	15-May-23	Monday	21,050
153	16-May-23	Tuesday	19,966
154	17-May-23	Wednesday	18,388
155	18-May-23	Thursday	22,297
156	19-May-23	Friday	1,52,514
157	22-May-23	Monday	55,957
158	23-May-23	Tuesday	47,738
159	24-May-23	Wednesday	31,267
160	25-May-23	Thursday	51,047
161	26-May-23	Friday	39,505
162	29-May-23	Monday	34,162
163	30-May-23	Tuesday	52,710
164	31-May-23	Wednesday	54,316
165	01-Jun-23	Thursday	59,545
166	02-Jun-23	Friday	38,518
167	05-Jun-23	Monday	66,897
168	06-Jun-23	Tuesday	90,764
169	07-Jun-23	Wednesday	59,195
170	08-Jun-23	Thursday	34,519
171	09-Jun-23	Friday	45,142
172	12-Jun-23	Monday	53,640
173	13-Jun-23	Tuesday	73,781
174	14-Jun-23	Wednesday	40,896
175	15-Jun-23	Thursday	34,718
176	16-Jun-23	Friday	45,021
177	19-Jun-23	Monday	61,716
178	20-Jun-23	Tuesday	55,613
179	21-Jun-23	Wednesday	76,161
180	22-Jun-23	Thursday	45,130
181	23-Jun-23	Friday	46,630
182	26-Jun-23	Monday	39,546
183	27-Jun-23	Tuesday	46,081
184	28-Jun-23	Wednesday	58,730
185	30-Jun-23	Friday	1,79,807
186	03-Jul-23	Monday	13,90,500
187	04-Jul-23	Tuesday	3,53,963
188	05-Jul-23	Wednesday	1,02,510
189	06-Jul-23	Thursday	61,795
190	07-Jul-23	Friday	43,321



**FCA PAYAL GADA
REGISTERED VALUER (SFA)**

Annexure A(ii) - Day wise trading volume for 240 trading days prior to the relevant date			
Day Number	Date	Day of the week	Number of Shares traded on NSE during the day
191	10-Jul-23	Monday	54,111
192	11-Jul-23	Tuesday	70,294
193	12-Jul-23	Wednesday	39,083
194	13-Jul-23	Thursday	33,185
195	14-Jul-23	Friday	35,615
196	17-Jul-23	Monday	68,581
197	18-Jul-23	Tuesday	33,741
198	19-Jul-23	Wednesday	1,76,165
199	20-Jul-23	Thursday	72,724
200	21-Jul-23	Friday	47,215
201	24-Jul-23	Monday	63,707
202	25-Jul-23	Tuesday	64,401
203	26-Jul-23	Wednesday	36,709
204	27-Jul-23	Thursday	28,770
205	28-Jul-23	Friday	30,218
206	31-Jul-23	Monday	40,655
207	01-Aug-23	Tuesday	39,459
208	02-Aug-23	Wednesday	38,663
209	03-Aug-23	Thursday	34,054
210	04-Aug-23	Friday	49,479
211	07-Aug-23	Monday	26,861
212	08-Aug-23	Tuesday	28,002
213	09-Aug-23	Wednesday	29,569
214	10-Aug-23	Thursday	27,395
215	11-Aug-23	Friday	30,259
216	14-Aug-23	Monday	70,152
217	16-Aug-23	Wednesday	79,697
218	17-Aug-23	Thursday	1,25,983
219	18-Aug-23	Friday	66,142
220	21-Aug-23	Monday	71,056
221	22-Aug-23	Tuesday	65,286
222	23-Aug-23	Wednesday	76,749
223	24-Aug-23	Thursday	54,431
224	25-Aug-23	Friday	52,083
225	28-Aug-23	Monday	40,210
226	29-Aug-23	Tuesday	67,307
227	30-Aug-23	Wednesday	83,538
228	31-Aug-23	Thursday	46,923
229	01-Sep-23	Friday	71,054
230	04-Sep-23	Monday	63,739
231	05-Sep-23	Tuesday	63,244
232	06-Sep-23	Wednesday	56,400
233	07-Sep-23	Thursday	80,480
234	08-Sep-23	Friday	58,469
235	11-Sep-23	Monday	98,587
236	12-Sep-23	Tuesday	76,328
237	13-Sep-23	Wednesday	41,643
238	14-Sep-23	Thursday	31,782
239	15-Sep-23	Friday	74,298
240	18-Sep-23	Monday	47,180
Total Traded Quantity during the 240 trading days ion NSE preceding the relevant date		A	1,42,46,086
Total number of shares outstanding as per ICDR regulations		B	11,27,42,690
% of shares traded during the 240 trading days preceding the relevant date		C=A/B	12.64%
Source : NSE			



FCA PAYAL GADA
REGISTERED VALUER (SFA)

Annexure A(iii)- Volume weighted average price ("VWAP") of 90 trading days preceding the relevant date.

Annexure A(iii) - Volume weighted average price ("VWAP") of 90 trading days preceding the relevant date					
NSE					
Day's Number	Name of the Company	Day of the week	Date	Daily turnover (INR)	Number of shares traded
1	HFL	Friday	12-May-23	1,46,44,393	24,848
2	HFL	Monday	15-May-23	1,24,15,712	21,050
3	HFL	Tuesday	16-May-23	1,18,27,414	19,966
4	HFL	Wednesday	17-May-23	1,07,52,004	18,388
5	HFL	Thursday	18-May-23	1,31,64,126	22,297
6	HFL	Friday	19-May-23	9,31,21,968	1,52,514
7	HFL	Monday	22-May-23	3,28,49,057	55,957
8	HFL	Tuesday	23-May-23	2,75,66,761	47,738
9	HFL	Wednesday	24-May-23	1,79,40,820	31,267
10	HFL	Thursday	25-May-23	2,89,99,551	51,047
11	HFL	Friday	26-May-23	2,23,14,958	39,505
12	HFL	Monday	29-May-23	1,92,97,311	34,162
13	HFL	Tuesday	30-May-23	2,99,97,757	52,710
14	HFL	Wednesday	31-May-23	3,07,75,435	54,316
15	HFL	Thursday	01-Jun-23	3,36,50,089	59,545
16	HFL	Friday	02-Jun-23	2,17,62,429	38,518
17	HFL	Monday	05-Jun-23	3,79,74,649	66,897
18	HFL	Tuesday	06-Jun-23	5,11,37,256	90,764
19	HFL	Wednesday	07-Jun-23	3,32,48,087	59,195
20	HFL	Thursday	08-Jun-23	1,93,21,404	34,519
21	HFL	Friday	09-Jun-23	2,50,87,228	45,142
22	HFL	Monday	12-Jun-23	2,95,60,453	53,640
23	HFL	Tuesday	13-Jun-23	4,05,82,715	73,781
24	HFL	Wednesday	14-Jun-23	2,23,10,700	40,896
25	HFL	Thursday	15-Jun-23	1,89,26,378	34,718
26	HFL	Friday	16-Jun-23	2,45,38,857	45,021
27	HFL	Monday	19-Jun-23	3,37,81,716	61,716
28	HFL	Tuesday	20-Jun-23	3,03,20,785	55,613
29	HFL	Wednesday	21-Jun-23	4,15,79,602	76,161
30	HFL	Thursday	22-Jun-23	2,44,44,127	45,130
31	HFL	Friday	23-Jun-23	2,49,53,464	46,630
32	HFL	Monday	26-Jun-23	2,11,65,671	39,546
33	HFL	Tuesday	27-Jun-23	2,46,58,162	46,081
34	HFL	Wednesday	28-Jun-23	3,15,10,108	58,730
35	HFL	Friday	30-Jun-23	9,39,80,887	1,79,807
36	HFL	Monday	03-Jul-23	80,25,64,249	13,90,500
37	HFL	Tuesday	04-Jul-23	20,51,42,585	3,53,963
38	HFL	Wednesday	05-Jul-23	5,84,25,849	1,02,510
39	HFL	Thursday	06-Jul-23	3,52,93,622	61,795
40	HFL	Friday	07-Jul-23	2,43,24,971	43,321
41	HFL	Monday	10-Jul-23	2,97,27,071	54,111
42	HFL	Tuesday	11-Jul-23	3,90,36,995	70,294
43	HFL	Wednesday	12-Jul-23	2,17,32,080	39,083
44	HFL	Thursday	13-Jul-23	1,85,17,331	33,185
45	HFL	Friday	14-Jul-23	1,98,64,756	35,615



**FCA PAYAL GADA
REGISTERED VALUER (SFA)**

Annexure A(iii) -		Volume weighted average price ("VWAP") of 90 trading days preceding the relevant date			
NSE					
Day's Number	Name of the Company	Day of the week	Date	Daily turnover (INR)	Number of shares traded
46	HFL	Monday	17-Jul-23	3,92,73,152	68,581
47	HFL	Tuesday	18-Jul-23	1,91,94,535	33,741
48	HFL	Wednesday	19-Jul-23	10,36,70,410	1,76,165
49	HFL	Thursday	20-Jul-23	4,23,84,316	72,724
50	HFL	Friday	21-Jul-23	2,71,58,585	47,215
51	HFL	Monday	24-Jul-23	3,69,27,973	63,707
52	HFL	Tuesday	25-Jul-23	3,70,05,588	64,401
53	HFL	Wednesday	26-Jul-23	2,10,61,974	36,709
54	HFL	Thursday	27-Jul-23	1,64,77,413	28,770
55	HFL	Friday	28-Jul-23	1,71,75,735	30,218
56	HFL	Monday	31-Jul-23	2,31,37,300	40,655
57	HFL	Tuesday	01-Aug-23	2,23,89,886	39,459
58	HFL	Wednesday	02-Aug-23	2,17,26,780	38,663
59	HFL	Thursday	03-Aug-23	1,90,16,994	34,054
60	HFL	Friday	04-Aug-23	2,81,87,250	49,479
61	HFL	Monday	07-Aug-23	1,53,39,964	26,861
62	HFL	Tuesday	08-Aug-23	1,58,66,021	28,002
63	HFL	Wednesday	09-Aug-23	1,69,37,564	29,569
64	HFL	Thursday	10-Aug-23	1,56,97,304	27,395
65	HFL	Friday	11-Aug-23	1,73,35,868	30,259
66	HFL	Monday	14-Aug-23	4,07,00,899	70,152
67	HFL	Wednesday	16-Aug-23	4,51,76,822	79,697
68	HFL	Thursday	17-Aug-23	6,97,38,096	1,25,983
69	HFL	Friday	18-Aug-23	3,62,25,399	66,142
70	HFL	Monday	21-Aug-23	3,84,86,125	71,056
71	HFL	Tuesday	22-Aug-23	3,52,87,133	65,286
72	HFL	Wednesday	23-Aug-23	4,13,53,001	76,749
73	HFL	Thursday	24-Aug-23	2,93,76,376	54,431
74	HFL	Friday	25-Aug-23	2,81,23,289	52,083
75	HFL	Monday	28-Aug-23	2,16,87,332	40,210
76	HFL	Tuesday	29-Aug-23	3,69,51,374	67,307
77	HFL	Wednesday	30-Aug-23	4,60,71,751	83,538
78	HFL	Thursday	31-Aug-23	2,57,94,328	46,923
79	HFL	Friday	01-Sep-23	3,90,08,022	71,054
80	HFL	Monday	04-Sep-23	3,51,09,348	63,739
81	HFL	Tuesday	05-Sep-23	3,46,22,572	63,244
82	HFL	Wednesday	06-Sep-23	3,07,58,599	56,400
83	HFL	Thursday	07-Sep-23	4,41,55,377	80,480
84	HFL	Friday	08-Sep-23	3,18,99,555	58,469
85	HFL	Monday	11-Sep-23	5,37,53,572	98,587
86	HFL	Tuesday	12-Sep-23	4,15,50,523	76,328
87	HFL	Wednesday	13-Sep-23	2,26,64,680	41,643
88	HFL	Thursday	14-Sep-23	1,73,18,810	31,782
89	HFL	Friday	15-Sep-23	4,07,27,101	74,298
90	HFL	Monday	18-Sep-23	2,57,97,454	47,180
Total				3,77,30,93,688	66,91,580
VWAP of 90 trading days volume weighted average price ("VWAP") preceding the relevant date					563.86



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Annexure A(iv) - Volume weighted average price ("VWAP") of 10 trading days preceding the relevant date

Annexure A(iii) -		Volume weighted average price ("VWAP") of 10 trading days preceding the relevant date			
NSE					
Day's Number	Name of the Company	Day of the week	Date	Daily turnover (INR)	Number of shares traded
1	HFL	Tuesday	05-Sep-23	3,46,22,572	63,244
2	HFL	Wednesday	06-Sep-23	3,07,58,599	56,400
3	HFL	Thursday	07-Sep-23	4,41,55,377	80,480
4	HFL	Friday	08-Sep-23	3,18,99,555	58,469
5	HFL	Monday	11-Sep-23	5,37,53,572	98,587
6	HFL	Tuesday	12-Sep-23	4,15,50,523	76,328
7	HFL	Wednesday	13-Sep-23	2,26,64,680	41,643
8	HFL	Thursday	14-Sep-23	1,73,18,810	31,782
9	HFL	Friday	15-Sep-23	4,07,27,101	74,298
10	HFL	Monday	18-Sep-23	2,57,97,454	47,180
Total				34,32,48,242	6,28,411
VWAP of 10 trading days volume weighted average price ("VWAP") preceding the relevant date					546.22



FCA PAYAL GADA
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Comparable Companies' Multiple (CCM) / Guideline Company method (Market Approach) -

Under this method, value of the equity shares of a company is arrived at by applying a suitable multiple (derived from valuations of comparable companies, as manifest through stock market valuations of listed companies) to the income of the Company. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Hindustan is a listed Company engaged in the business of contract manufacturing of FMCG products. As such, we have considered the median Price Earnings ("P/E") multiple of comparable Companies which are into contract manufacturing but into different product category, as we understand that there are no direct comparable companies into contract manufacturing of the same products as HFL, as detailed in **Annexure B(i)** and applied it to the trailing twelve months ("TTM") profit after tax for the period ended 30.6.23, to arrive at its fair value, using the CCM Method under the Market Approach.

Relevant workings are attached as **Annexure B** below-

<u>Annexure B -</u>		<u>Fair valuation of the Company using the Price to Earnings ("P/E") Multiple under the Comparable Companies Multiple Method (Market Approach)</u>	
<u>Particulars</u>	<u>Unit</u>	<u>Reference</u>	<u>Value</u>
Median Multiple	Number	A	71.55
Profit after tax, considered for valuation	INR lacs	B	7959.71
Equity value	INR lacs	C=A*B	5,69,523.64
Add : Value of Non-current Investments in associates	INR lacs	D	-
Adjusted Equity Value	INR lacs	E=C+D	5,69,523.64
Number of equity shares outstanding	Number in lacs	D	1127.43
Equity Value	INR lacs	E = C/D	505.15



FCA PAYAL GADA
REGISTERED VALUER (SFA)

Annexure B(i) - Computation of Price-to Earnings Multiple

<u>Guideline Companies</u>	<u>Remarks</u>	<u>Price-to Earnings Multiple (##)</u>
Dixon Technologies Ltd.	Inlier, hence considered	105.07
Varun Beverages Ltd.	Inlier, hence considered	63.08
Amber Enterprises India Ltd.	Inlier, hence considered	62.66
Kaynes Technology India Ltd.	Inlier, hence considered	111.95
Syrma SGS Technology Ltd.	Inlier, hence considered	71.55
Median Multiple		71.55
(##) Based on market price as on 18.09.23 and Profit after tax (TTM ended on 30.6.23)		

<u>Annexure B(ii)</u>	<u>Computation of Profit after tax (TTM ended on 30.6.23)</u>			
<u>Particulars</u>	<u>Unit</u>	<u>Reference</u>	<u>Value</u>	<u>Remarks</u>
Profit (loss) after tax for the year ended 31st March, 2023 (#)	INR Lacs	A	7,111.71	Considered
Profit (loss) after tax for the quarter ended 30.6.23 (#)	INR Lacs	B	2,337.15	Considered
Profit (loss) after tax for the quarter ended 30.6.22 (#)	INR Lacs	C	1,489.15	Considered
Twelve months trailing Profit (loss) after tax (#)	INR Lacs	D=A+B-C	7,959.71	Computed
Profit after tax, considered for valuation	INR Lacs	E=D	7,959.71	Computed
(#) Excluding comprehensive income(loss)				



Discounted Cash Flows (DCF) Method (Income Approach)

Based on the representations, from the Management, we understand that the projections/business forecasts of HFL would be price sensitive information, and as such, not made available to us.

We have used PECV method under Income approach and the CCM method under Market approach, which captures its value based on earnings potential and return on capital employed (as a proxy to DCF method). Further, when shares of a Company are frequently traded, the market prices of the share of the Company captures the future cash flows expected to be earned by the Company. Considering all the above factors we have not used DCF method to value equity shares of the Company.

Capitalisation of Earnings Method (Income Approach)

This method is used while valuing a going concern business with a good profitability history. It involves determining the future maintainable earning level of the entity from its normal operations. This maintainable profit, considered on a post-tax basis, is then capitalised at a rate which in the opinion of the valuer, combines an adequate expectation of reward from enterprise and risk, to arrive at the business value.

Relevant workings are attached as **Annexure C** below-

<u>Annexure C -</u>		<u>Fair valuation of the Company using the Capitalisation of earnings ("PECV") method (Income Approach)</u>	
<u>Particulars</u>	<u>Unit</u>	<u>Reference</u>	<u>Value</u>
Capitalisation rate	Number	A	1.40%
Maintainable PAT considered for valuation	INR lacs	B	8,230.16
Equity value	INR lacs	C=B/A	5,88,874.19
Add : Value of Non-current Investments in associates	INR lacs	D	-
Adjusted Equity Value	INR lacs	E=C+D	5,88,874.19
Number of equity shares outstanding	Number in Lacs	F	1127.43
Equity Value	INR per share	G=E/F	522.32



Annexure C(i) -	Computation of Price-to Earnings Multiple	
Guideline Companies	Remarks	Price-to Earnings Multiple (##)
Dixon Technologies Ltd.	Inlier, hence considered	105.07
Varun Beverages Ltd.	Inlier, hence considered	63.08
Amber Enterprises India Ltd.	Inlier, hence considered	62.66
Kaynes Technology India Ltd.	Inlier, hence considered	111.95
Syrma SGS Technology Ltd.	Inlier, hence considered	71.55
Median Multiple		71.55
(##) Based on market price as on 18.09.23 and Profit after tax (TTM ended on 30.6.23)		

Annexure C(ii)	Computation of Capitalisation rate		
Particulars	Unit	Reference	Value
Median P/E Multiple	Number	A	71.55
Capitalisation rate	%	B=1/A	1.40%

Annexure C(iii)	Computation of maintainable Profit after tax ("PAT")		
Particulars	Unit	Reference	Value
Profit (loss) after tax for the year ended 31.3.23 (#)	INR lacs	A	7,111.71
Profit (loss) after tax for the quarter ended 30.6.23 (#)	INR lacs	B	2,337.15
Annualised Profit (loss) after tax for the year ended 31.3.24	INR lacs	C=B*4	9,348.60
Average PAT	INR lacs	D=Average(A,C)	8,230.16
Maintainable PAT considered for valuation			8,230.16
(#) Excluding comprehensive income(loss)			



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Net Worth Method /Net Asset Value (NAV) Methodology

The asset-based valuation technique is based on the value of the underlying net assets of the business. Since the Company has net assets, the Net Asset Value method is considered under the Cost Approach for valuation of the Company, based on the published consolidated audited financial results of the Company for the year ended 31st March, 2023 and the quarterly published results for the quarter ended 30.06.23.

Relevant workings are attached as **Annexure D** below-

Annexure D -		Fair valuation of the Company using the Net Asset Value ("NAV") Method (Cost Approach)		
Particulars		Unit	Reference	Value
Total Assets as of	31/03/2023 (##)	INR Lacs	A	1,33,518.45
Total Liabilities as of	31/03/2023 (##)	INR Lacs	B	96,025.42
Net Asset Value (Equity Value) as of	31/03/2023 (##)	INR Lacs	C=A-B	37,493.03
Profit (loss) for the quarter ended	30/06/2023 (##)	INR Lacs	D	2,342.30
Net Asset Value (Equity Value) as of	30/06/2023 (##)	INR Lacs	E=C+D	39,835.33
Number of equity shares outstanding		Number in Lacs	D	1,127.43
Equity Value		INR per share	E=C/D	35.33
Fair Value		INR per share	F=E	35.33
(##) Based on the latest consolidated published results available in public domain as of date of Valuation Report				



Valuation Conclusion

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuer and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality and integrity of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognised in judicial decisions.

We have considered the methods as deemed appropriate, and as detailed, in the "Valuation Approaches and its applicability" and applied weights, as deemed appropriate to the values computed using each of the methods to arrive at our value recommendation. Since the shares of the Company are frequently traded, we given due cognizance to the relevant SEBI ICDR Regulations, while arriving at the valuation conclusion.

Based on the representations from the Management, we understand that, the preferential allotment, for more than five per cent of the post issue fully diluted share capital of the Issuer Company is not likely to result in a change in control of the Issuer Company. As such, we have not considered any control premium while estimating the fair value of the Company.

On the basis of our valuation as discussed under 'Valuation Analysis' Section of this report, the fair equity value of Hindustan as at 20th September, 2023("relevant date or Valuation date") is summarized as under –



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On the basis of our fair valuation, as summarized above in Annexure I, the floor Price for preferential issue, in accordance with **Regulation 166A and the pricing guidelines under Regulation 164(1)**, as at 20th September, 2023("relevant date or Valuation date"), is summarized as under –

Annexure I(a) - Fair Valuation Summary						
Valuation Approach	Valuation method	Unit	AVG			
			Annexure Reference	Value	Weight	Weighted Value
				INR per equity share		
				(i)	(ii)	(iii) = (i) *(ii)
Market	Market price (#)	INR per share	A	563.86	100%	563.86
Market	Comparable Companies Multiple	INR per share	B	505.15	0%	-
Income	Discounted Cash Flow (##)	INR per share		-	-	-
Income	Earnings Capitalisation method	INR per share	C	522.32	0%	-
Asset	Net Asset Value	INR per share	D	35.33	0%	-
Fair Value		INR per share			100%	563.86
<p><i>Note : (#) Since the value under the Market Price Method (as per the Regulation 164(1) - ICDR Regulations) is the maximum, we have given 100% weight to the value computed using the Market Price Method under Market Approach</i></p> <p><i>Note : (##) We could not use Discounted Cash Flow method under the Income Approach, as based on the representations, from the Management, we understand that the projections/business forecasts of HFL would be price sensitive information, and as such, not made available to us.</i></p>						

Valuation Summary of the Company under ICDR Regulations				
Particulars	Unit	Reference	Value	Remarks
Floor Price as Regulation 164(1)	INR per share	A	563.86	Refer Annexure A(iii)
Fair Value (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)	INR per share	B	563.86	Refer Annexure I(a)
Floor Price per share as per Regulation 166A(1)	INR per share	C=Max of A and B	563.86	



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On the basis of our valuation as discussed under 'Valuation Analysis' Section of this report, the fair equity value of Hindustan as at 20th September, 2023("relevant date or Valuation date") is summarized as under –

Annexure I(b) - Fair Valuation Summary						
Valuation Approach	Valuation method	Unit	AVG			
			Annexure Reference	Value	Weight	Weighted Value
				INR per equity share		
				(i)	(ii)	(iii) = (i) * (ii)
Market	Market price (#)	INR per share	A	546.22	100%	546.22
Market	Comparable Companies Multiple	INR per share	B	505.15	0%	-
Income	Discounted Cash Flow (##)	INR per share		-	-	-
Income	Earnings Capitalisation method	INR per share	C	522.32	0%	-
Asset	Net Asset Value	INR per share	D	35.33	0%	-
Fair Value		INR per share			100%	546.22
<i>Note : (#) Since the value under the Market Price Method (as per the Regulation 164(4) - ICDR Regulations) is the maximum, we have given 100% weight to the value computed using the Market Price Method under Market Approach</i>						
<i>Note : (##) We could not use Discounted Cash Flow method under the Income Approach, as based on the representations, from the Management, we understand that the projections/business forecasts of HFL would be price sensitive information, and as such, not made available to us.</i>						

On the basis of our fair valuation, as summarized above in Annexure I, the floor Price for preferential issue, in accordance with **Regulation 166A and the pricing guidelines under Regulation 164(4)**, as at 20th September, 2023("relevant date or Valuation date"), is summarized as under –

Valuation Summary of the Company under ICDR Regulations				
Particulars	Unit	Reference	Value	Remarks
Floor Price as Regulation 164(4)	INR per share	A	546.22	Refer Annexure A(iv)
Fair Value (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)	INR per share	B	546.22	Refer Annexure I(b)
Floor Price per share as per Regulation 166A(1)	INR per share	C=Max of A and B	546.22	



Statement of Limiting Conditions

- Valuation analysis and results are specific to the purpose of valuation mentioned in this report as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- We owe responsibility to only the Client that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this valuation report. Our valuation report cannot be used for any other purpose except as stated in the Engagement Background. Our Valuation Report can be shared by the Client with its Advisors, Merchant Bankers, SEBI and other authorities purely in connection with the proposed transaction.
- We have relied on information as available in public domain and as made available to us. We assume no responsibility for the accuracy and completeness of information and will not be held liable for it under any circumstances. We have not conducted an audit, or due diligence, or reviewed / validated the data made available to us.
- Our analysis is based on the market conditions and the regulatory environment that currently exists. However, changes to the same in the future could impact the company and the industry it operates in, which may impact our valuation analysis.
- Neither we nor any of our affiliates are responsible for updating this report because of events or transactions occurring subsequent to the date of this report.
- The valuation analysis and result rely upon the information substantively contained herein.
- We have obtained a general representation from Client confirming that the Client has provided us with all the relevant information, knowledge, supporting documents completely and correctly and that no material information has been concealed or withheld or misrepresented by the Client.
- The Investors need to undertake their own analysis and also appoint experts to obtain an independent view before investing or divesting in the valuation subject. Our report cannot be relied upon by the current or potential investors to undertake any investment/divestment decision.
- Provision of valuation opinions and consideration of the issues described herein are areas of our regular valuation practice. The services do not represent accounting/ assurance/ tax /legal/financial/commercial/environmental due diligence, consulting or tax related services or forensic/ investigation services that may otherwise be provided by us or our affiliates and does not include verification or validation work.



- The valuation report was prepared for the purpose of complying with provisions of SEBI Regulations and is for the confidential use of the Client only. Its suitability and applicability of any other use has not been checked by us. Neither the valuation report nor its contents may be disclosed to any third party without our prior written consent. We retain the right to deny permission for the same. The Report is only for regulatory compliances and/or regulatory filings under the specific Statute under which this Report is issued and as such cannot be disclosed or discussed with any third party. It is inappropriate to use this Report for financing or any purpose other than the purpose mentioned above. We are not responsible for the unauthorized use of this Report. We shall not assume any responsibility to any third party to whom the Report is disclosed or otherwise made available. Unless required by law, it shall not be provided to any third party without our prior written consent. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom this report is disclosed or otherwise made available.
- The Report assumes that the Company complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that it will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation report has given no consideration to the following matters -
 - (1) Matters of a legal nature, including issues of legal title and compliance with local laws, and
 - (2) Litigation and other contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Company.
- In accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements.
- The valuation analysis and results are governed by concept of materiality.
- We have been given to understand by the Management that it has made sure that no relevant and material factors have been omitted or concealed or given inaccurately by people assigned to provide information and clarifications to us for this exercise and that it has checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. We have assumed that the information provided to us presents a fair image of the Company's activities and the shares being valued at the Valuation Date. Therefore, PG will accept no responsibility for any error or omission in the Report arising from incorrect information provided by Management. Also, we assume no responsibility for technical information furnished by the Management and believed to be reliable.



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- The opinion(s) rendered in the Report only represent the opinion(s) of PG based upon information furnished by you and others on your behalf and other sources and the said opinion(s) shall be considered advisory in nature. Our opinion is however not for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.
- The fee for the Report is not contingent upon the results reported.
- While performing this assignment, we have assumed genuineness of all signatures and authenticity of the documents/details and/or copies of the documents furnished to us by the Management or on behalf of the Management.



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Sources of information

In connection with this exercise, we have used the following sources of information -

- Audited financial statements of the Company for the year ended 31st March 2022 and 31st March, 2023.
- Published audited Quarterly statements of the Company for the year ended 30.6.23.
- External sources - BSE Ltd/NSE
- Articles of Association of the Company

During the discussions with the Management, we have also obtained explanations and information considered reasonably necessary for our exercise.

Procedures conducted

The Procedures conducted by us are:

1. Requested and received all required information from the Management.
2. Run through of the AOA of the Company
3. Considered the historical financial statements of the Company.
4. Discussed the profile and operations of the Company with the Management(s).
5. Discussions with the Management on understanding of the businesses of the Company.
6. Evaluated the various valuation methods and computing the value using each of the applicable methods.
7. Assigned appropriate weights to the values derived using each of the applicable methods and arrived at the value conclusion taking cognizance of the AOA and the SEBI ICDR Regulations.
8. Prepared and issued valuation report.

