VALUATION REPORT ON FAIR VALUE OF EQUITY SHARE OF M/S BOOTES IMPEX TECH LIMITED

Valuation Date: 9th July, 2024

Signing Date: 9th July, 2024

PREPARED BY:

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Date: 9th July , 2024

To

The Board of Director

Bootes Impex Tech Limited Unit No. 109B, 110, 111 & 112, 1st Floor, Magnum City Center, Sector 63A, Golf Course Extension Road, Gurgaon Haryana, India, 122011

Dear Sir.

Subject:-Report on Valuation of Fair Value of Equity Shares at ₹ 1000/- face Value ₹10 each

I, Suman Kumar Verma, having a place of business at WZ-D-9, Lane No. 5, Mahavir Enclave, Palam Colony, New Delhi -110045, Registered Valuer under the Companies Act, 2013 and having its IBBI Regn. No. IBBI/RV/05/2019/12376 (hereinafter referred to as ("Registered Valuer") has been mandate by the Board of Directors on behalf of the Company, M/s. Bootes Impex Tech Limited, a Company incorporated under the provisions of the Companies Act, 2013 and having its registered office at Unit No. 109B, 110, 111 & 112, 1st Floor, Magnum City Center, Sector 63A, Golf Course Extension Road, Gurgaon, Haryana, India, 122011 (hereinafter referred to as "Private Limited Company") for valuation of its Equity Shares for the purpose of issue of equity shares (hereinafter referred to as "Proposed Investors") in accordance with the requirement of Sections 56 of the Companies Act, 2013 for determining the fair market price per share of the Companies Act, 2013.

The scope of services is to conduct the valuation of Equity Shares to determine the fair value in accordance with internationally accepted valuation standards/ICMAI Valuation Standards for the limited purpose of compliance under the Companies Act, 2013 and may not be used for any other purpose. Even though the Fair value proposed here is said to true and fair as per underlying guidelines of valuation but the valuation done here is not in accordance with rule 11UA of Income tax rules and it may be relied upon in any such Income tax matters with required modification as per said rules. Based on the Discussion with the management, we have considered the valuation cut- off date as closure of business hours of 9th July 2024

Scope of the Report:

Our scope of services under this letter is restricted to the services specified in scope of work as above and does not cover any other services including, illustratively, the following:

- · Legal advice, opinion and representation in any form;
- · Accounting and taxation matters, opinion and representation in any form;
- Any other certification services. Reliance would be placed on the information that may be
 provided by the Company. We will not independently verify the accuracy of data provided to us
 for review. Therefore, this valuation is performed on a limited scope basis.

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Company Background information:

Bootes Impex Tech Limited (BITL) is a registered startup operating as a Public Limited Indian Non-Government Company incorporated in India on 04 March 2021 (Three years and four months 7 days old). Its registered office is in Gurgaon, Haryana, India. The Company is engaged in the Infrastructure Industry..

Company Status as Master data obtained from MCA site is as under (09-07-2024):

Company Information			
CIN	U51909HR2021PLC093355		
Company Name	BOOTES IMPEX TECH LIMITED		
ROC Name	ROC Delhi		
Registration Number	093355		
Date of Incorporation	04/03/2021		
Email Id	deepakkumar.rai@hotmail.com		
Registered Address	Unit No. 109B, 110, 111 & 112, 1st Floor, Magnum City Center, Sector 63A, Golf Course Extension Road, Gurgaon, Gurgaon, Gurgaon, Haryana, India, 122011		
Address at which the books of account are to be maintained	-		
Listed in Stock Exchange(s) (Y/N)	No		
Category of Company	Company limited by shares		
Subcategory of the Company	Non-government company		
Class of Company	Public		
ACTIVE compliance	-		
Authorised Capital (Rs)	27,00,00,000		
Paid up Capital (Rs)	7,31,94,880		
Date of last AGM	30/09/2023		
Date of Balance Sheet	31/03/2023		
Company Status	Active		
Jurisdiction			
ROC (name and office)	ROC Delhi		
RD (name and Region)	RD, Northern Region		



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 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 for the purpose of our value analysis:

- 1. Memorandum and Articles of Association of the Company;
- 2. Projected Financial Statements from FY 2024-25 to FY 2028-9
- Present Share Holding Pattern.

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 Company.

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, yield on 10 years Government of India Securities/Papers (10 Year GS) has been considered i.e. 6.985% as on the date of Valuation
- For calculation of Market Return, we have considered the Compounded Annual Growth Rate based on BSE Sensex return. i.e.18.81%
- · We have considered global beta of 1.00 since we don't find any exact comparable company.
- Long Term growth rate considered i.e.5%

Procedure adopted and valuation method(s) followed for the assignment:

Approach Considered in our Value Analysis:

General Principle 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.

Selection of Valuation Methodology

The objective of the valuation process is to make a best reasonable judgment of the value of the shares 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:

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 assets base dominate earnings capability. It is a growing company and its substantial value lies in the future earnings. Therefore, in the present case, we have not used NAV Method for the valuation.

Discounted Cash Flow (DCF) Method

Under DCF Method, the projected free cash flows of the Company/ business are discounted at a discount rate which reflects perceived riskiness of the projected cash flows in order to arrive at their present value. Then, the terminal value of the Company/ business is calculated based on the free cash flow of the last year of the forecast period, which is based on the future long term growth of the revenues. This terminal value is then discounted to get the present terminal value. The present value of free cash flows for the projected period and present value of terminal value is added to arrive at the enterprise value. Thereafter, adjustment for non-operating assets/liabilities, surplus Cash and Cash Equivalents is made to arrive at the fair value of the Company/business. Being a newly incorporated company, value of ₹1000/- per equity shares lies in future earnings and future positive cash generation capacities. Therefore, in the present case, we have considered the DCF Method for the valuation.

Market Price Method

The market price of and equity share quoted on a stock exchange is normally considered as the value of equity share of the Company, if such shares are frequently traded subject to speculative support that may be inbuilt in the value of such shares. Equity Shares of not

exchanges and therefore, Market Price Method is not relevant for the present valuation exercise. Hence, we have not considered this method for the valuation.

4 Comparable Company Multiples (CCM) Method

Under CCM Method, value of equity shares of a company/business undertaking is arrived at using multiple derived from valuation of comparable companies as manifest through stock exchange valuation of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to the valuation. Relevant multiples need to be chosen carefully and adjusted for difference between the circumstances.

We have not found any listed peers which can be compared with other company for considering its projected business model in coming few years due to nature of business, geographical differences and comparable size of the business at valuation date. Therefore, this method is not suitable in the present case and accordingly we have not considered this method for our valuation exercise.

II. Basis for arriving at Fair Value of Equity Shares:

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

Under DCF Method, the value of per equity shares 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 per equity shares is ₹ 1000/- the present value of the expected cash flows from its assets. These future cash flows are estimates based on certain parameters which are subject to various assumptions.

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The Fair Value of Diluted Equity Shares of ₹ 1000/- as per Discounted Cash Flow Method is as under:

Valuation

Rounded off

Particulars	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Terminal Cashflows
Net Operating Income before Taxes	140.00	171.00	208.00	252.20	305,04	1,113.69
Less: Tax Expenses	45.20	56.43	68.64	83.23	100.66	
Profit after Tax (PAT)	93.80	114.57	139.36	168.97	204,38	
Add : Non Eash items	10.00	9.00	8.00	7.00	6.00	
Free Cash Operating Profit from Operation(NOPAT)	103.80	123.57	147.36	175.97	210.38	
Less: Net Capex for the year	(4,43)	(5.67)	(6.39)	(6.51)	2.65	
Less: Changes in Working capital	(42.25)	(49.36)	(49.19)	(52.85)	(66.58)	
Free Cash Flow for the Period	57.12	68.54	91.78	116.61	146.46	
Discounting factor @ (Ke)	0.8417	0.7084	0.5963	0.5019	0.4224	0.4224
Discounted Cash Flow	48.08	48.56	54.73	58.53	61.87	470,47
Sum of DCF	742.23					
Value of Business	742.23					
No of Outstanding Share	74,19,488					
Value per shares	1,000.38					

1.000.00

III. Valuation of equity shares

We have formed an opinion on the Fair Value of Equity Shares of ₹1000/- based on the information provided by the Management of the Company and our opinion is on 09-07-2024. The valuation is subject to the information as made available to us by the management and no specific audit has been carried on the same.

Disclaimer/Limitations on the Valuation of Equity Shares

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 study did not include the following:-

- Any audit of the financial statements supplied by management and available at MCA site.
 Carrying out a market survey / technical and financial feasibility for the Business.
- Financial and Legal due diligence.
- Any other assurance advisory services in connection with the cash flow and valuations

sh flow and valuation hew Delhi s

Amount (INR)

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

Our value analysis is based on the information made available to us by the management of the Company 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.

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.

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 and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

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 statements and information. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by management of the Company

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 other than those stated above. We have not made any independent verification of the physical assets of and accept no responsibility for the same.

It should be noted that for the purpose of determining Fair Value of Equity Shares of as on Valuation date, we have not considered the impact of any events on the valuation of which have occurred post the date of the valuation except mentioned in this report.

Our scope of work does not include verification of data submitted by the management of and has been relied upon by us as such.

We understand that the management of during our discussions with them, would have drawn our attention to all such information and matters, which may have had an impact on our will be in

this report we have included all such information and matters as was received by us from the management.

This valuation report should not be regarded as a recommendation to invest in or deal in any form of securities of the Company and should also not be considered as its final equity value.

The Management or related parties of the 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.

We will receive a fee for our services in connection with the delivery of this Valuation Report from and our fee is not contingent upon the result of proposed transaction and suitability of valuation to the company and other stakeholders.

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. In no event, will valuer and its 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.

SUMAN KUMAR VERMA

(Registered Valuer)

IBBI Regn: IBBI/RV/05/2019/12376

UDIN 2428453EZE3 XMIMOWW

Annexure 1.

Financial Projections

Amount (IN Crores)

Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
	Projection	Projection	Projection	Projection	Projection
Total Revenue	1,000.00	1,200,00	1,440.00	1,728.00	2,073.60
Operating Expenditure	850.00	1,020.00	1,224.00	1,468.80	1,762.56
Net Income before Tax (EBITDA)	150.00	180.00	216,00	259.20	311.04
Depreciation & Amortisation	10.00	9.00	8.00	7.00	6.00
Profit before Tax	140.00	171.00	208.00	252.20	305.04
Income Tax	46.20	56.43	68.64	83.23	100.66
Profit After Tax	93.80	114.57	139.36	168.97	204.38

Annexure 2.

Calculation of Cost of Equity (Ke)

Risk free rate (10 year India G Sec Yeild)	6.985%
Expected Market Return	18.81%
Beta of the Stock	1.00
Equity Risk Premium for the Stock	11.82%
Company Specific Risk Premium	0.00%
Cost of Equity (Ke)	18.81%
Terminal Growth rate	5.00%

Calculation of Expected Market Return

BSE Index Value as on 01-02-1999	1,000.00
BSE Index Value as on 09-07-2024	80,351.00
No. of Years	25.45
CAG Return on BSE 500 Index	18.81%
	0.00%
Expected Market Return	18.81%





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Financial Figures / Particulars 1000: Fair Value of Shares

10: Face Value of Shares

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