



VALUATION REPORT

VALUATION OF EQUITY SHARES OF BEEYU OVERSEAS LTD. FOR CAPITAL REDUCTION

Valuation Date 7th August, 2024

MANISH GADIA
REGN. NO. IBBI/RV/06/2019/11646
RVO Mem. No. ICAIRVO/06/RV-P00074/2019-2020



MANISH GADIA

B.Com, FCA,DISA(ICAI)
Registered Valuer (IBBI)
Regn. No. IBBI/RV/06/2019/11646

5, Raja Subodh Mullick Square
2nd Floor, Kolkata – 700 013
manish@jmpassociates.com
+91 9830328772

To,
The Director
Beeyu Overseas Ltd.
15, Chittaranjan Avenue, Ground Floor,
Kolkata, West Bengal,India, 700072
CIN: L51109WB1993PLC057984

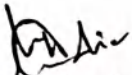
Sub: Independent opinion on valuation of equity shares of Beeyu Overseas Ltd. for the purpose of proposed reduction of share capital.

I refer to the engagement letter dated 06-08-2024 for engaging Mr. Manish Gadia, a Insolvency and Bankruptcy Board of India ("IBBI") Registered Valuer ("herein-after-referred as "Valuer") for the purpose of valuation of Equity Share of Beeyu Overseas Ltd. in accordance to Section 66 read with Section 52 and other relevant provisions of the Companies Act, 2013 read with National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 as amended from time to time and any other applicable law for the time being in force including the applicable provisions of the Securities and Exchange Board of India ("SEBI") Guidelines and the rules framed for the Capital Reduction by the cancellation and extinguishment of 1,40,58,633 fully paid up equity shares i.e. approx. 99.42% of the Issued, Subscribed and Paid up share capital of the company.

The company is registered with CIN: L51109WB1993PLC057984 having its registered office at 15, Chittaranjan Avenue, Ground Floor, Kolkata, West Bengal, India, 700072. The equity shares of the Company are presently listed on the Bombay Stock Exchange Limited (BSE).

I have relied on accuracy and completeness of all the information and explanations provided by the management. Based on the information provided by the management, subject to the notes and comments provided herein, and my analysis of the Equity Shares of Company, I have arrived at the "fair value" ("Valuation" or "Value") of the Equity Shares of the Company to be Rs. 10 per fully paid-up equity shares of Rs. 10 each for the purpose of proposed reduction of share capital as on 7th August, 2024 ("Valuation date").

The detailed valuation report including calculations and assumptions has been attached in pages to follow.



Manish Gadia
ICAI Mem. No. 059677
(Regn. No. IBBI/RV/06/2019/11646)
(RVO Mem. No. ICAIRVO/06/RV-P00074/2019-2020)
Date: 07-08-2024
Place: Kolkata
UDIN - 24059677BKCBJI4503



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PURPOSE OF VALUATION

I have been appointed by Beeyu Overseas Ltd. solely to determine the fair valuation of equity share of the company Beeyu Overseas Ltd. (the 'Company').

As per the requirements of Para I(A)(4) of Circular No. CFD/DIL3/CIR/2017/21, dated 10-3-2017 issued by Securities and Exchange Board of India ("SEBI") where a listed company proposing any scheme of arrangement / amalgamation / merger / reconstruction / reduction of capital, a valuation report is required as follows:

- a) All listed entities are required to submit a valuation report from an Independent Chartered Accountant.
- (b) However, Valuation Report is not required in cases where there is no change in the shareholding pattern of the listed entity / resultant company.
- (c) For the limited purpose of this Circular, 'change in the shareholding pattern' shall mean;
 - (i) change in the proportion of shareholding of any of the existing shareholders of the listed entity in the resultant company; or
 - (ii) new shareholder being allotted equity shares of the resultant company; or
 - (iii) existing shareholder exiting the company pursuant to the Scheme of Arrangement

Based on the discussions held with the management and Key Managerial Personnel (KMP's), we understand that the Company is proposing to reduce the share capital of the company. The accumulated carry forward losses resulting from the cessation of business operations, have substantially wiped off the value represented by the Share Capital thus the financial statements do not reflect the correct picture of the health of the Company. This has given rise to the need to re-adjust the relation between capital and assets and to accurately and fairly reflect the liabilities and assets of the Company in its books of accounts.

The proposed reduction of the equity share capital of Company is being undertaken in accordance with the provisions of Section 66 read with Section 52 of the Act read with National Company Law Tribunal (Procedure for the Reduction of Share Capital of Company) Rule, 2016 ("the Rules"), as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of the Securities and Exchange Board of India ('SEBI') Guidelines and the rules framed therein with respect to the reduction of share capital and in a manner provided in the draft scheme of Reduction of Share Capital ('the Scheme') (hereinafter referred to as 'proposed reduction').

The proposed reduction of equity share capital of the Company would not have any adverse effect on the creditors and employees of the Company or the Company's ability to fulfil its commitments or meet its obligations in the ordinary course of business as there is no payout resulting from the proposed capital reduction.

Upon the Scheme becoming effective after securing necessary approvals and permissions, without any further act, instrument or deed, the Company will increase its paid-up share capital as per the provisions under Section 62 read with Section 42 of the Companies Act, 2013 and the rules made thereunder and in compliance with SEBI (ICDR) Regulations 2018 and SEBI (LODR Regulations 2015) as may be applicable from time to time.

Upon the Scheme approvals and permissions, the accumulated losses of Rs. 23,14,53,545 (Rupees Twenty-Three Crores Fourteen Lakhs Fifty Three Thousand Five Hundred Fourty Five only) will be first adjusted from the Capital Reserve and Securities Premium Reserve amounting to Rs. 6,23,48,318 and Rs. 2,85,18,897 respectively. The remaining balance of the accumulated losses will be adjusted from the issued, subscribed and paid-up equity share capital of the Company by cancelling & extinguishing 1,40,58,633 equity shares of Rs 10 each



amounting to Rs. 14,05,86,330 (Rupees Fourteen Crores Five Lakhs Eighty Six Thousand Three Hundred Thirty only) i.e. about 99.42% of the share capital.

Adjustment of the Accumulated Losses:

Particulars	Amount in Rs. (in Hundreds)
A. Accumulated Losses as at the financial year ended 31 March, 2024	23,14,535
B. Adjustment from the below balance:	
(Less) Capital Reserve	(6,23,483)
(Less) Securities Premium Reserve	(2,85,189)
(Less) Paid up capital	(14,05,864)
Accumulated losses after adjustments given in "B" above as at 31 March 2024	NIL

The Scheme of Reduction of Share Capital is presented with a view to achieve restructuring of the Company which would result in reduction of the accumulated losses of the Company and improvement in financial health as more business activities shall be brought into the Company thereby preventing it from becoming a sick company. Thus, the fair value of the share .

Particulars	As on date of approval of the Scheme by Board of Directors		Post capital reduction in terms of this Scheme	
	Number of equity shares	Amount (in INR)	Number of equity shares	Amount (in INR)
Authorized equity share Capital	1,60,00,000	16,00,00,000	1,60,00,000	16,00,00,000
Issued Subscribed and Paid-up Capital	1,41,41,453	14,14,14,530	82,820	8,28,200

The Equity shares of the company are frequently traded. The company is listed on Bombay Stock Exchange of India Limited (BSE). In terms of SEBI Regulation, the company requires valuation from an independent registered valuer and should be considered for determining the share price. Thus, I, being Independent Registered Valuers, have been appointed as per the appointment letter dated 06th August, 2024. I am issuing this certificate for the purpose of compliance of SEBI Regulations.

Section 66. Reduction of share capital.—(1) Subject to confirmation by the Tribunal on an application by the company, a company limited by shares or limited by guarantee and having a share capital may, by a special resolution, reduce the share capital in any manner and in particular, may— (a) extinguish or reduce the liability on any of its shares in respect of the share capital not paidup; or (b) either with or without extinguishing or reducing liability on any of its shares,— (i) cancel any paid-up share capital which is lost or is unrepresented by available assets; or (ii) pay off any paid-up share capital which is in excess of the wants of the company, alter its memorandum by reducing the amount of its share capital and of its shares accordingly: Provided that no such reduction shall be made if the company is in arrears in the repayment of any deposits accepted by it, either before or after the commencement of this Act, or the interest payable thereon



Section 52. Application of premiums received on issue of shares - (1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium account" and the provisions of this Act relating to reduction of share capital of a company shall, except as provided in this section, apply as if the securities premium account were the paid-up share capital of the company.

Regulation 164(1)- If the equity shares of the company have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares shall be not less than higher of the following:

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

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

SCOPE OF VALUATION

Appointment date, Relevant date and Report date

The management of the Company has appointed Manish Gadia on 06th August, 2024. The analysis of the fair value of the equity share of the Company has been carried out on the Relevant Date i.e. 7th August, 2024. The valuation report is issued on 07th August, 2024.

Identity of the Valuer

Manish Gadia is a Registered Valuer as required under the Companies (Registered Valuers & Valuation) Rules, 2017. He is registered with Insolvency & Bankruptcy Board of India vide registration number IBBI/RV/06/2019/11646.

Disclosure of Valuer Interest

I neither have any present or any prospective contemplated financial interest in the Company nor any personal interest with respect to the Promoters & Board of Directors of the Company. 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.

My professional fee for this valuation is based upon my normal billing rates, and not contingent upon the results or the value of the business or in any other manner.

Restrictions on use of the report

This Valuation Report has been issued on the specific request of the management for the Value of the Company based on the latest available financials for the year ended 31st March, 2024.

Specific Purpose:

Valuation analysis and its results are specific to the purpose of valuation as mentioned in the section "Purpose of Valuation". It may not be relevant for any other purpose or entity. This Report is prepared exclusively for the above stated purpose and must not be copied, disclosed or circulated or referred to in



Section 52. Application of premiums received on issue of shares - (1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a "securities premium account" and the provisions of this Act relating to reduction of share capital of a company shall, except as provided in this section, apply as if the securities premium account were the paid-up share capital of the company.

Regulation 164(1)- If the equity shares of the company have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares shall be not less than higher of the following:

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

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

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I neither have any present or any prospective contemplated financial interest in the Company nor any personal interest with respect to the Promoters & Board of Directors of the Company. 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.

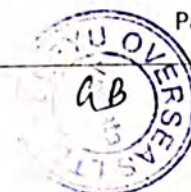
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correspondence or discussion with any other party. Neither this report nor its content may be used for any other purpose without my prior written consent.

Not an advice to buy or sell:

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

No audit or certification:

My work does not constitute an audit or certification of the historical financial statements. I cannot and do not express an opinion on the accuracy of any financial information referred to in this report. I have relied on the assumptions made by the management of the company. These assumptions require exercise of judgement and are subject to uncertainties.

BACKGROUND OF THE COMPANY

NAME: BEEYU OVERSEAS LTD.

CIN: L51109WB1993PLC057984

DATE OF INCORPORATION: 04-03-1993

REGISTERED ADDRESS: 15, CHITTARANJAN AVENUE, GROUND FLOOR, KOLKATA, WEST BENGAL, INDIA, 700072

The Company is a BSE Listed Public Limited Company engaged in rental services.

DIRECTOR'S /KMP'S DETAILS-

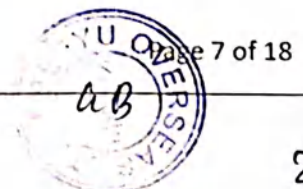
<u>DIN/PAN</u>	<u>DIRECTOR'S /KMP NAME</u>	<u>DESIGNATION</u>	<u>APPOINTMENT DATE</u>
9438380	SIMRAN SAHA	Director	20/12/2021
*****8209L	SHOUVIK KUNDU	CFO	07/06/2019
9030036	PRANAB CHAKRABORTY	Whole-time director	15/04/2021
*****2026M	GUNJAN BAGLA	Company Secretary	16/12/2022
10349322	SOVAN CHATTERJEE	Director	04/12/2023
10349324	HARENDRA KUMAR BAITHA	Director	04/12/2023

AUTHORIZED CAPITAL - RS. 16,00,00,000 / PAID UP CAPITAL - RS. 14,14,14,530.

The Shareholding pattern of the Company as on 7th August, 2024 is as under:

Particulars	Shareholding as a % of Total no. of shares
Promoter & Promoter Group	24.63%
Public	75.37%
Total	100.00%

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SOURCES OF INFORMATION

In connection with this valuation exercise, I have used and relied upon the following information about the company received from the management of Beeyu Overseas Ltd. and/or gathered from public domain:

- ❖ Audited Balance Sheet of the Company as on 31st March, 2024
- ❖ Representations from the management (written and oral) that affect the value of the shares of the company.
- ❖ Public documents as available from external sources such as MCA (mca.gov.in), BSE and others.
- ❖ Market / industry surveys & information.
- ❖ Share holding pattern as on 31-03-2024.
- ❖ Company Profile, Memorandum & Articles of Association
- ❖ Other information and documents for the purpose of this engagement.

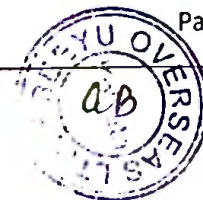
During the discussion with the Management, I have also obtained explanations and information considered reasonably necessary for my exercise. The Company have been provided with the opportunity to review the draft report (excluding the recommended valuation) as a part of my standard practice to make sure that factual / omissions are avoided in my final report.

I have relied upon the truth, accuracy and completeness of the information, data and financial terms provided to me or used by me; I have considered that the same are not misleading and do not accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Company. The valuation analysis and result are substantively based only on information contained in this report and are governed by concept of materiality. Please refer to the caveats, limitations and disclaimers mentioned in this report.

LIMITATIONS, QUALIFICATIONS AND EXCLUSIONS

This valuation is subject to the following limiting conditions:

1. This report has been prepared for the purpose of determining/estimating the Fair Value per Equity share of the Company based on the international/generally accepted valuation methodologies for the purpose of Capital reduction as per Section 66 read with Section 52 of the Companies Act, 2013.
2. The Terms of my engagement was such that I was mandated to rely upon the information & projections provided to me by the client with no further due diligence on the data or on the projections was done by me. I would not be held responsible for the achievability or authenticity of the forecasts or data.
3. The scope of work did not include any due diligence procedures. I have not conducted a site review of the subject business premises, nor have I reviewed any of the business financials. I do not imply that it should not be construed that I have verified any of the information provided to me, or that my inquiries could have verified any matter, which a more extensive examination might disclose.
4. By this report I am not purporting to advice the investor or investee companies on the prudence of the investment.



5. Neither me nor my employee undertakes responsibility in anyway whatsoever to any person in respect of any errors in this report arising due to limited time and information available to us.

6. I have not undertaken responsibility to update this report for the events and circumstances occurring after the valuation date. This report is purely recommendatory in nature. My liability, if any, shall be limited to the professional fees paid to me for rendering these services.

7. This report and the information provided herein is my sole Intellectual property and I hold its complete copyrights. No part of this report shall be reproduced/copied/extracted etc. without the express permission of mine in writing unless statutorily required. Such consent shall not be unreasonably withheld.

DISCLAIMERS

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

Events occurring after the date hereof may effect this report and the assumptions used in preparing it, and I do not assume any obligation to update, revise or reaffirm this report.

Valuation analysis and its results are specific to the purpose of valuation as mentioned in the section "Purpose". It may not be relevant for any other purpose or entity. This Report is prepared exclusively for the above stated purpose. Neither this report nor its content may be used for any other purpose without my prior written consent.

My work does not constitute an audit or certification of the historical financial statements. I cannot and do not express an opinion on the accuracy of any financial information referred to in this report. I have relied on the assumptions made by the management of the Company. These assumptions require exercise of judgment and are subject to uncertainties.

The Management of the Company has indicated to me that it has understood that any omissions, inaccuracies, or misstatements may materially affect my analysis/results. Accordingly, I assume no responsibility for any errors in the above information furnished by the Management of the Company and their impact on the present valuation exercise.

I have assumed that the company will maintain the character and integrity of the Company through any reorganization or reduction of any owner's/manager's participation in the existing activities of the Company

In no event shall I be liable for any loss, damage, cost or expense arising in any way from fraudulent acts, misrepresentations or willful defaults on the part of the Company, their directors, employees or agents. In no circumstances shall my liability relating to services provide in connection with the engagement set out in this report exceed the amount paid to me in respect of the fees charged for those services.

The assumptions used in their preparation, as I have been explained, are based on the management's present expectation of both – the most likely set of future business events and the management's course of action related to them. Wherever I have not received details information from the management, I have used my

Manish Gadia, Registered Valuer (IBBI)

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assessment of value based on experiences and circumstances of the case. It is usually the case that some events and circumstances do not occur as expected or are not anticipated.

I have relied upon the representations received from the Management that the information contained in this Report is materially accurate and complete, fair in the manner of its portrayal and therefore forms a reliable basis for the valuation.

This report shall at all times be read and interpreted in full, no part of it shall be read independently for any reason whatsoever. This report and the information provided herein is the sole Intellectual property of the company and the company holds its complete copyrights. No part of this report shall be reproduced/copied/extracted etc. without the express permission of the company in writing unless statutorily required. Such consent shall not be unreasonably withheld.

The fee for the engagement is not contingent upon the results reported.

In the course of the valuation, I was provided with both written and verbal information. I have however, evaluated the information provided to me by the Management of the Company through broad inquiry, however I have not carried out a due diligence or audit procedures for the purpose of this engagement, nor have I independently investigated or otherwise verified the data provided. Through the above evaluation, nothing has come to my attention to indicate that the information provided was materially mis-stated/incorrect or would not afford reasonable grounds upon which to base the report. I do not imply and it should not be construed that I have verified any of the information provided to us, or that my inquiries could have verified any matter, which a more extensive examination might disclose. The terms of my engagement was such that I was entitled to rely upon the information provided by the Management of the Company.

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 the Company 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 matters of a legal nature, including issues of legal title and compliance with local laws and litigation and other contingent liabilities that are not recorded in the audited balance sheet of the Company. My Analysis of value assumes that the assets and liabilities of the Company, reflected in the respective latest balance sheet remain substantially intact as of the Report date.

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

My engagement is limited to preparing the report to be submitted to the management of Beeyu Overseas Ltd. I shall not be liable to provide any evidence for any matters stated in the report nor shall I be liable or responsible to provide any explanation or written statement for any assumption, information, methodology or any other matter pertaining to the report.

The fair value measurement approach relates only to the exit price from a market participant's view point at the measurement date and does not directly factors the subsequent reversibility or otherwise of price. It is

based on the perspective of market participants rather than just the entity itself, so fair value is not affected by an entity's intentions of retaining or otherwise of the asset, liability or equity item that is being fair valued.

This report does not look into the business/ commercial reasons behind the transaction nor the likely benefits arising out of the same. Similarly it does not addresses the relative merits of the transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are achievable.

I owe responsibility to only the management of the Company that has engaged me and nobody else. I do not accept any liability to any third party in relation to this certificate. In any case, my liability to the Company or any third party is limited to be not more than 50% of the amount of the fee received by me from the Company for the engagement.

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

I am not advisor with respect to legal, tax and regulatory matters for the transaction.
This Valuation report is subject to the laws in India.

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

STANDARD OF VALUE

The valuation exercise is aimed at the assessment of the Fair Value of the Beeyu Overseas Ltd. I am required to arrive at the above valuations based on internationally accepted valuation practices. I have used "Fair Market Value" (FMV) as a standard of value for ascertaining the enterprises value.

Fair market value is defined as:

"The price at which property would change hands between a hypothetical able and willing buyer and a hypothetical willing and able seller, acting seller, acting in arm's length in an open and unrestricted market when neither is under any compulsion to buy or sell and when both have reasonable knowledge of the relevant facts."

My analysis and report are in conformity with the "ICAI Valuation Standards" (IVS) issued by the Institute of Chartered Accountants of India. In addition to the general standards! guidelines of the IVS, my report specifically complies with ICAI Valuation Standard 102 - Valuation Bases, ICAI Valuation Standard 103 - Valuation Approaches and Methods, ICAI Valuation Standard 201 - Scope of Work, Analyses and Evaluation, ICAI Valuation Standard 202 - Reporting and Documentation and ICAI Valuation Standard 301 - Business Valuation.

Ind AS (113) as well as IFRS 13 defines fair value as *"the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."*

Manish Gadia, Registered Valuer (IBBI)

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PREMISE OF VALUE

My Opinion with respect to determination of fair value of the Equity Shares of Company is based on Going Concern basis since the company is carrying out its operations in a professional manner with an objective to carry on its business.

VALUATION METHODOLOGY

Valuation of a business is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be prepared to pay a substantial goodwill. This exercise may be carried out using various methodologies, the relative emphasis of each often varying with:

- ❖ Whether the entity is listed or not listed on a stock exchange
- ❖ Industry to which the company belongs
- ❖ Past track record of the business and the case with which the growth rate in cash flows to perpetuity can be estimated.
- ❖ Extent to which industry and comparable company information is available.

The International Accounting Standard Board (IASB), which is the independent standard setting body of the IFRS foundation, has set out two internationally accepted valuation methodologies for arriving at the fair value of a share namely, the income approach and the market approach.

The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the value. In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue. These can be broadly categorized as follows:

Asset based

Adjusted Net Assets Value method (NAV)

The Value arrived at under this approach is based on the audited/provisional financial statements of the business and may be defined as Shareholders Funds or Net Assets owned by the business. The Adjusted Net Assets Value of the business is arrived at after making adjustments for the fair value of Assets and Liabilities as on the date of valuation.

Market Based

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

Pricing of frequently traded shares

Regulation 164. (1) SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018 - If the equity shares of the issuer have been listed on a recognized stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

a. the 90 trading days volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date; or

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

“Provided that if the Articles of Association of the issuer provide for a method of determination which results in a floor price higher than that determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue.”

Comparable Company Market Multiple Method

Under this methodology, market multiples of comparable listed companies are computed and applied to the business being valued in order to arrive at a multiple based valuation. The difficulty here is in the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, and profitability and accounting practices.

Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way comparable enterprises are valued by public markets.

Comparable Transactions Multiple Method

This approach is somewhat similar to the market multiples approach except that the sale and EBITDA multiples of reported transactions in the same industry in the recent past are applied to the sales and EBITDA of the business being valued.

The following are some of the instances where a valuer applies the market approach:

- ❖ Where the asset to be valued or a comparable or identical asset is traded in the active market;
- ❖ There is a recent, orderly transaction in the asset to be valued; or
- ❖ There are recent comparable orderly transactions in identical or comparable asset(s) and information for the same is available and reliable.

Income Based

Discounted Cash flow Method (DCF)

DCF uses the future free cash flows of the firm/equity holders discounted by the weighted average cost of capital (WACC), to arrive at the present value. The WACC, based on an optimal vis-à-vis actual capital structure, is an appropriate rate of discount to calculate the present value of future cash flows as it considers debt-equity risk by incorporating deb-equity ratio of the firm. In general, DCF method is a strong and widely accepted valuation tool, as it concentrates on cash generation potential of a business considering that this method is based on future potential and is widely accepted.

VALUATION APPROACH USED

Market Based: Market Price Method as per Regulation 164 of SEBI ICDR Regulations 2018.

The Company's shares are listed and traded at BSE. Trading volume of equity shares of the Company in BSE is recorded during the preceding 90 trading days prior to the relevant date.

In the instant case as per the trade data obtained from BSE for the period 27th March, 2024 to 7th August, 2024 (i.e. 90 trading days preceding the relevant date), there has been trading of 40,13,693 equity shares which is more than 10% of the total shares of the Company (total Issued, Subscribed & Fully Paid Up Equity shares are 1,41,41,453). In view of same as per Regulation 164 of SEBI ICDR Regulations 2018, the shares of the Company are frequently traded.

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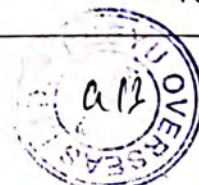
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Particulars	MM/DD/YY	Day
Relevant Date	07-08-2024	Wednesday

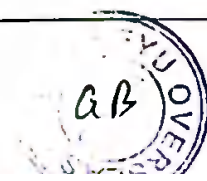
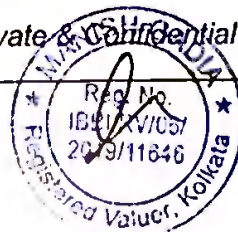
As per BSE:

(a) the 90 trading days volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date:

Date	Total Traded Quantity	Turnover
07-Aug-24	18591	92204
06-Aug-24	22346	110536
05-Aug-24	59378	291659
02-Aug-24	29791	148334
01-Aug-24	22659	112707
31-Jul-24	47704	232702
30-Jul-24	19531	96289
29-Jul-24	24964	125664
26-Jul-24	24111	122044
25-Jul-24	22350	112692
24-Jul-24	22086	112715
23-Jul-24	18790	94861
22-Jul-24	47829	243359
19-Jul-24	42716	208944
18-Jul-24	30417	153640
16-Jul-24	47266	237071
15-Jul-24	30215	151812
12-Jul-24	51464	259542
11-Jul-24	35823	188558
10-Jul-24	52987	277060
09-Jul-24	50186	260543
08-Jul-24	49645	264369
05-Jul-24	42912	224349
04-Jul-24	73056	380128
03-Jul-24	27637	141260
02-Jul-24	51674	263243
01-Jul-24	42943	219561
28-Jun-24	77993	405079
27-Jun-24	45717	236129
26-Jun-24	41746	214119
25-Jun-24	61226	321079
24-Jun-24	100860	523205
21-Jun-24	58430	305630
20-Jun-24	33831	168957
19-Jun-24	43756	212036
18-Jun-24	31549	148995
14-Jun-24	69526	336621



13-Jun-24	56531	260656
12-Jun-24	40823	188429
11-Jun-24	56835	267120
10-Jun-24	60851	278977
07-Jun-24	50622	234125
06-Jun-24	46918	205876
05-Jun-24	40710	177232
04-Jun-24	92797	426409
03-Jun-24	38816	183599
31-May-24	66273	287990
30-May-24	48258	207667
29-May-24	12069	54551
28-May-24	23022	110448
27-May-24	56468	281775
24-May-24	40488	212562
23-May-24	15244	84146
22-May-24	34126	198272
21-May-24	55471	338927
18-May-24	103722	702326
17-May-24	123821	837019
16-May-24	50243	323564
15-May-24	97342	597345
14-May-24	138478	810072
13-May-24	53989	301258
10-May-24	41783	222285
09-May-24	40916	207444
08-May-24	39312	189876
07-May-24	36557	168162
06-May-24	87774	385464
03-May-24	66845	278236
02-May-24	34497	137588
30-Apr-24	29934	113893
29-Apr-24	62660	225483
26-Apr-24	27899	102255
25-Apr-24	35844	138328
24-Apr-24	79466	339274
23-Apr-24	30980	128916
22-Apr-24	50224	199831
19-Apr-24	47991	180742
18-Apr-24	15320	55583
16-Apr-24	14336	49526
15-Apr-24	53181	179524
12-Apr-24	62380	202245
10-Apr-24	9567	29172
09-Apr-24	22971	69394
08-Apr-24	35985	107528



05-Apr-24	9136	27602
04-Apr-24	13863	42615
03-Apr-24	35734	110700
02-Apr-24	11964	37194
01-Apr-24	18260	55649
28-Mar-24	5648	16940
27-Mar-24	15044	46722
TOTAL	40,13,693	1,96,16,212

90 trading days volume weighted average price – Rs. 4.89

(b) the 10 trading days volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date:

Date	Total Traded Quantity	Turnover
07-Aug-24	18591	92204
06-Aug-24	22346	110536
05-Aug-24	59378	291659
02-Aug-24	29791	148334
01-Aug-24	22659	112707
31-Jul-24	47704	232702
30-Jul-24	19531	96289
29-Jul-24	24964	125664
26-Jul-24	24111	122044
25-Jul-24	22350	112692
Total	2,91,425	14,44,831

10 trading days volume weighted average price – Rs. 4.96

We have considered volume weighted average price for a period of 90/10 trading days by taking into consideration aggregate daily turnover in the scrip over the period of 90/10 trading days and dividing the same by the total number of shares traded during the said period.

(a) 90 trading days volume weighted average price: Rs. 4.89
(b) 10 trading days volume weighted average price: Rs. 4.96

Therefore, Applicable Minimum Price [higher of (a) or (b)]: Rs. 4.96

The Management has informed us that there is no valuation methodology / formula prescribed in Articles of Association and also provided a copy of the same.

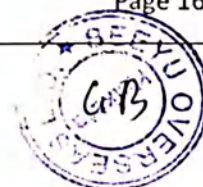
Income Based: Discounted Cash flow Method (DCF)

The Enterprise Value being calculated on basis of audited Balance Sheet and future projections, derived in negative figure, hence, the DCF method had not been applied on the company. However, the projections of the Company being price sensitive information, the valuations workings of the Company under Income Approach have not been provided herein.

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Asset based: Adjusted Net Assets Value method (NAV)

The asset based valuation technique is based on the value of the underlying net assets of the 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 dominate earnings capability. In the present case, the company's operation is assumed as going concern and actual realization of the operating assets is not contemplated.

Therefore, in the present situation, I have considered the Market Approach method to arrive at the fair value of the company.

FAIR VALUE OF EQUITY SHARE OF BEEYU OVERSEAS LIMITED

Valuation Approach	Value Per Share (INR)	Weights	Weighted Value per equity share
Asset Approach-NAV method	N/A	N/A	N/A
Income approach-Discouted cash flow method	N/A	N/A	N/A
Market Approach-Market price method	4.96	100%	4.96
Fair value per equity share (Face value INR 10/- each)		100%	4.96

Based on my valuation analysis of equity shares of Beeyu Overseas Ltd. and subject to the notes and comments provided herein and having regard to all factors described above on the calculations, I hereby certify that the fair value per equity share of the Company as on 7th August, 2024 is Rs. 4.96 as per Regulation 164 of SEBI ICDR Regulations 2018, in case of the fresh issue of equity shares.

KEY ASSUMPTIONS

- ❖ I have relied on the Audited balance sheet for the period ended on 31st March 2023, and information provided as not to be misleading and did not find any material reason to not rely on them.
- ❖ Since the company is expected to generate positive cash flows in future, I don't have any reason to believe that the company may not be in existence in near future. Accordingly, I have valued the company on a going concern basis.
- ❖ I have not attempted to confirm whether or not the Equity Shares of Beeyu Overseas Ltd. are free and clear of liens and encumbrances, or that the Company has good title to the instrument.
- ❖ I have not conducted the site review of the subject business premises neither do I confirm the accuracy of the financials of Beeyu Overseas Ltd. provided to me. It is assumed that these statements are true and correct.

CONCLUSION

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality 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 recognized in judicial decisions. For example, Viscount Simon said in Gold Coast Selection Trust Ltd. Vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

"If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible."

Based on the information, considerations and steps followed, for the purpose of proposed reduction of share capital, the reduction of share capital is a fixed number of equity share as may be approved by the Board of Directors of the Company, no valuation for this specific purpose is required since this does not lead to –

- a) Any change in the proportion of shareholding of any of the existing shareholders of Company
- b) No new shareholders are being allotted equity shares and
- c) No existing shareholder is exiting the Company pursuant to the scheme.

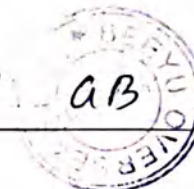
I have relied on accuracy and completeness of all the information and explanations provided by the management. Based on the information provided by the management, subject to the notes and comments provided herein, and my analysis of the Equity Shares of Company, I have arrived at the "fair value" ("Valuation" or "Value") of the Equity Shares of the Company to be Rs. 10 per fully paid-up equity shares of Rs. 10 each for the purpose of proposed reduction of share capital as on 7th August, 2024 ("Valuation date").

The values so arrived at are subject to the matters enumerated in 'Disclaimer statement', 'Scope of Work & Limitation' and information provided to me and should be viewed in the light thereof.



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