

**Valuation Report for the purpose of Regulation 165 and 166A ICDR for
Preferential Issue of Convertible Warrants of**

L C C INFOTECH LIMITED

CIN: L72200WB1985PLC073196

Regd. Office: P- 16, C.I.T. ROAD P S ENTALLY, Kolkata, KOLKATA, West Bengal,
India, 700014

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Prepared by

MANISH SANTOSH BUCHASIA

IBBI REGISTERED VALUER

Assets class: Securities or financial assets

RV Reg. no: IBBI/RV/03/2019/12235

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To,

The Board of Directors,

L C C INFOTECH LIMITED

P- 16, C.I.T. ROAD P S ENTALLY, KOLKATA, West Bengal, India, 700014

Ref: Independent Fair Valuation of L C C INFOTECH LIMITED (“Company”) as on relevant date i.e., 02.01.2026 as per SEBI (ICDR) Regulations for the purpose of Preferential Issue of Convertible Warrants.

We have been engaged by **L C C INFOTECH LIMITED (“Company”)** for the purpose of assessing fair value of equity shares as of the relevant date i.e. **02nd January, 2026** of the Company, a company registered under the Companies Act, 1956 and having its Registered office at **P- 16, C.I.T. ROAD P S ENTALLY, Kolkata, KOLKATA, West Bengal, India, 700014**

The underlying transaction is the preferential issue of shares of Company to certain investors. The Company is infrequently traded company listed on BSE and NSE and in terms of Regulation 166A read with Regulation 165 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, a preferential issue, which may result in a change in control or allotment of more than 5 % of the post issue fully diluted share capital of an issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and should be considered for determining the issue price.

Based on the information provided by the management, I, **MANISH SANTOSH BUCHASIA**, Registered Valuer (Regn no: IBBI/RV/03/2019/12235), hereby certify that I have arrived at the “Fair Value” (“Valuation” or “Value”) of the Company as at the relevant date i.e. **02nd January, 2026**. Based on our assessment, the Value of the shares of the company should be **INR 3.51 (Three Rupee Five One paisa only) per share**. The computation of Fair value of the Company has been attached as Annexure.

RV MANISH SANTOSH BUCHASIA
IBBI REGISTERED VALUER

Assets class: Securities or financial assets

RV Reg. no: IBBI/RV/03/2019/12235;

Date: 03/01/2026



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1. EXECUTIVE SUMMARY

L C C INFOTECH LIMITED (“company”) is a public limited company registered under the provisions of the Companies Act, 1956.

The company has engaged us to provide an Independent fair valuation of the shares of L C C INFOTECH LIMITED as per Regulations 164 and/or 165 (as applicable) of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018 (“ICDR”).

Accordingly, the valuation of the Equity Shares of the Company is arrived in accordance with Regulations 165. The standard of value used in our valuation of Equity Share of the Company is **in accordance with Regulation 165 of the ICDR**.

Based on our analysis of the company and subject to our comments and caveats as further detailed in this report, we have arrived at the “Independent Fair Value” of the equity shares of the Company.

2. BACKGROUND INFORMATION

L C C INFOTECH LIMITED was incorporated on 17-12-1985 with the Registrar of Companies, Kolkata. The Corporate Identification Number of the Company is L72200WB1985PLC073196 and registered office is situated at P- 16, C.I.T. ROAD P S ENTALLY, Kolkata, KOLKATA, West Bengal, India, 700014.

Stock Price Information:

ISIN: INE938A01021

CIN: L72200WB1985PLC073196

BSE: LCCINFOTEC | 532019 |

NSE: LCCINFOTEC |

The Board of Directors of the Company is as follows

DIN/DPIN/PAN	Full Name	Designation	Date of Appointment
*****2224N	PRATIK LAKHOTIA	CFO	11/08/2014
01895499	SHREERAM BAGLA	Managing Director	20/06/2025
10414115	RACHNA SUMAN SHAW	Whole-time director	23/06/2025
10701968	RAMESH KUMAR PANDEY	Director	13/08/2024



DIN/DPIN/PAN	Full Name	Designation	Date of Appointment
*****6122R	VINEET JAIN	Company Secretary	28/06/2024
07914837	PRITI LAKHOTIA	Director	25/09/2024
03473849	CHANCHAL KEDIA	Director	12/08/2024

3. PURPOSE OF VALUATION AND APPOINTING AUTHORITY:

Based on the discussions held with the management and Key Managerial Personnel (KMP's), company is proposing Preferential Issue of Convertible Warrants. The Equity shares of the company are listed on BSE Limited and NSE Limited and are infrequently traded. In terms of Regulation 166A read with Regulation 165 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018 ('SEBI (ICDR) Regulations'), a preferential issue, which may result in a change in control or allotment of more than 5 % of the post issue fully diluted share capital of an issuer, to an allottee or to allottees acting in concert, shall, besides the market price, requires valuation from an independent registered valuer and should be considered for determining the issue price. Thus, we, being Registered Valuers, have been appointed as per the appointment letter dated 13/12/2025. We are issuing this certificate for the purpose of compliance with the Chapter V of SEBI (ICDR) Regulations.

The company is looking to assess its Independent fair value of equity shares in accordance with Regulations 164 and/or 165(as applicable) of the ICDR.

Since Regulation 164 deals with frequently traded shares and corresponding regulation 165 deals with infrequently traded shares, we have assessed them together based on the circumstances given in this case.

The relevant extract of the rules 164 and 165 are as under:

Pricing of Frequently traded shares

164. (1) *If the equity shares of the issuer 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 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 recognised stock exchange preceding the relevant date; or*
- b) The 10 trading day's volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.*



(2) If the equity shares of the issuer have been listed on a recognised stock exchange for a period of less than 90 trading days as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than the higher of the following:

- a) the price at which equity shares were issued by the issuer in its initial public offer or the value per share arrived at in a scheme of compromise, arrangement and amalgamation under sections 230 to 234 the Companies Act, 2013, as applicable, pursuant to which the equity shares of the issuer were listed, as the case may be; or*
- b) the average of the volume weighted average prices of the related equity shares quoted on the recognised stock exchange during the period the equity shares have been listed preceding the relevant date; or*
- c) the average of the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.*

(3) Where the price of the equity shares is determined in terms of sub-regulation (2), such price shall be recomputed by the issuer on completion of 90 trading days from the date of listing on a recognised stock exchange with reference to the 90 trading days volume weighted average prices of the related equity shares quoted on the recognised stock exchange during these 90 trading days and if such recomputed price is higher than the price paid on allotment, the difference shall be paid by the allottees to the issuer.

(4) A preferential issue of specified securities to qualified institutional buyers, not exceeding five in number, shall be made at a price not less than the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

(5) For the purpose of this Chapter, "frequently traded shares" means the 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 shares of the issuer:

Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.

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

Pricing of Infrequently traded shares

165. *Where the shares of an issuer are not frequently traded, the price determined by the issuer shall take into account the valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies:*

Provided that the issuer shall submit a certificate stating that the issuer is in compliance of this regulation, obtained from an independent Registered valuer to the stock exchange where the equity shares of the issuer are listed.

Other conditions for pricing

166A. *(1) Any preferential issue, which may result in a change in control or allotment of more than five percent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price:*

Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be, or the 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, if applicable:

Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso:

Provided further that the valuation report from the registered valuer shall be published on the website of the issuer and a reference of the same shall be made in the notice calling the general meeting of shareholders.

(2) Any preferential issue, which may result in a change in control of the issuer, shall only be made pursuant to a reasoned recommendation from a committee of independent directors of the issuer after considering all the aspects relating to the preferential issue including pricing, and the voting pattern of the said committee's meeting shall be disclosed in the notice calling the general meeting of shareholders.

4. IDENTITY OF THE VALUER AND ANY OTHER EXPERTS INVOLVED IN THE VALUATION:

- RV Manish Santosh Buchasia
- IBBI Registered Valuer Assets class: Securities or financial assets
- RV Reg. no: IBBI/RV/03/2019/12235.

5. DISCLOSURE OF VALUER INTEREST/INTEREST CONFLICT (IF ANY):

We hereby certify that the valuer(s) is/are suitably qualified and authorized to practice as a valuer; 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(s) accept instructions to value the company only from the appointing authority or eligible instructing party.

We have no present or planned future interest in L C C INFOTECH LIMITED or its group companies, if any and the fee payable for this valuation is not contingent upon the value of shares reported herein

6. DATE OF APPOINTMENT, VALUATION DATE AND DATE OF REPORT:

Date of appointment	13/12/2025
Relevant date	02/01/2026
Date of report	03/01/2026

7. INSPECTIONS AND/OR INVESTIGATIONS UNDERTAKEN

We have relied on accuracy and completeness of all the information and explanations provided by the management. We have not carried out any due diligence or independent verification or validation to establish its accuracy or sufficiency. We have received representations from the management and have accordingly assessed the fair value of the company. We believe that given the nature of the valuation and the underlying reports made available to us, it is plausible to carry out such valuation.

8. SOURCES OF INFORMATION:

In the course of performing the valuation, we have relied on the following sources:

- i. Background documents and information on the company;
- ii. Audited Balance sheet as on 30.09.2025, 31st March 2025 and 31st March 2024
- iii. Verbal information and discussions with the management.
- iv. Data/Information of other comparable companies from BSE Limited and NSE Limited
- v. Data/Information of other comparable companies from Website of Reserve Bank of India (RBI)
- vi. Other related information from various sources
- vii. Information from BSE website and Ministry of Corporate Affairs (MCA) Website.
- viii. Projected financial for 6 years ending on FY 2030-31

We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us; we have assumed that the same are not misleading and do not assume or 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.



9. 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 as on 03/01/2026.

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 correspondence or discussion with any other party. Neither this report nor its content may be used for any other purpose without our 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, our report is not advising anybody to take a buy or sell decision, for which specific opinion may be required from experts.

10. CAVEATS, LIMITATIONS AND DISCLAIMERS:

Valuation date:

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. We have no responsibility to update this report for events and circumstances occurring after the valuation date.

Reliance on information provided:

We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us; we have assumed that the same are not misleading and do not assume or 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. In the course of the valuation exercise, we have obtained both oral and written data, including market, technical, operational and financial information. We have evaluated such information through a broad comparative analysis and enquiry.

Actual results may differ:

The assumptions used in their preparation, as we 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 we have not received details information from the management, we have used our 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.



Questions or appearances:

Our engagement is limited to preparing the report to be submitted to the management. We shall not be liable to provide any evidence for any matters stated in the report nor shall we be liable or responsible to provide any explanation or written statement for any assumption, information, methodology or any other matter pertaining to the report.

Complete report:

This report shall at all times be read and interpreted in full, no part of it shall be read independently for any reason whatsoever.

11. VALUATION: PROCEDURES AND FACTORS:

The valuation exercise is aimed at the assessment of the Fair Value of the company. We are required to arrive at the above valuations based on internationally accepted valuation practices.

As per **RICS appraisal Manual**, the Fair Value (FV) is defined 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.'*

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.

Approach and Methodology

Valuation is not an exact science and is dependent on various factors such as specific nature of business, economic life cycle in which the industry and company is operating, past financial performance of the business, future growth potential of the business, business model, management of the company, relevance of technology in the business model, liquidity of equity and much more. The results of the valuation exercise may vary significantly depending on the basis used, the specific circumstances and the judgement of the valuer. In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue.

IVS 105 read with IVS 200 specifies that generally the following three approaches for valuation of business/business ownership interest are used:

- I. Cost Approach - Net Asset Value (NAV)
- II. Income Approach
- III. Market Approach.

I. Cost Approach - Net Asset Value (NAV)

The value under Cost Approach is determined based on the underlying value of assets which would be on book value basis, replacement cost basis or on the basis of Realizable value. The Net Assets Method represents the value with reference to historical cost of assets owned by the company and the attached liabilities on particular date. Net asset will be calculated starting from the total assets of the company and deducting there from all debts, borrowing and liabilities, including current and Likely contingent Liability and preference capital if any. In other words, it should represent true net worth of business after providing for all outside present and potential liabilities. In the case of companies, the net assets value calculated from assets side of the balance sheet in the above manner will be crossed checked with equity share capital plus free reserve and surplus, less likely contingent liabilities.

We have considered the above approach as the said method derives the value with reference to historical cost of assets owned by the company and the attached liabilities on particular dates as detailed in *Annexure-“1”*.

II. Income Approach

Under income approach there are mainly two methods

1. Discounted Cash Flows (DCF) method
2. Profit-earning capacity value method

1. Discounted Cash Flows (DCF) method

Under DCF method, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalization. DCF method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. Free Cash Flow to Firm (FCFF) represents the cash flows available for distribution to both the owners and other creditors of the business. Risk-adjusted discount rate or Weighted Average Cost of Capital (WACC) is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & bank balances and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the company.

We have considered the above approach as the said method derives the value with reference to future projections. Calculation (Annexure 2)



2. Profit-earning capacity value method

Under profit-earning capacity value method, the profit-earning capacity value will be calculated by capitalising the average of the after-tax profits at the following rates;

I. 15% in the case of manufacturing companies.

II. 20% in the case of trading companies.

III. 17.5% in the case of “intermediate companies”, that is to say, companies whose turnover from trading activity is more than 40%, but less than 60% of their total turnover.

The crux of estimating the profit-earning capacity value lies in the assessment of the future maintainable earnings of the business. While the past trends in profits and profitability would serve as a guide, it should not be overlooked that the valuation is for the future and that it is the future maintainable stream of earnings that is of greater significance in the process of valuation. All relevant factors that have a bearing on the future maintainable earnings of the business must, therefore, be given due consideration.

The detailed price working under this method is marked as **Annexure- ”3”**

III. Market Approach:

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

The following valuation methods are commonly used under the market approach:

- a) Market Price Method;
- b) Comparable Companies Multiple (CCM) Method; and
- c) Comparable Transaction Multiple (CTM) Method;

a) Market Price Method

Under this method a valuer shall consider the traded price observed over a reasonable period while valuing assets which are traded in the active market. A valuer shall also consider the market where the trading volume of asset is the highest when such asset is traded in more than one active market. A valuer shall also consider the market where the trading volume of asset is the highest when such asset is traded in more than one active market.

The Equity Shares of Company are listed on BSE and NSE for a period of more than 90 trading days as on the relevant date i.e. January 03, 2026 and are infrequently traded in accordance with SEBI ICDR Regulations.

This method is not applicable to us because the shares of the company are infrequently traded.



b) Comparable Companies Multiple (CCM) Method

Comparable Companies Multiple Method, also known as Guideline Public Company Method, involves valuing an asset based on market multiples derived from prices of market comparable traded on active market. Under this method, the value of shares of the subject company is determined on the basis of multiples derived from valuations of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. The CCM Method arrives at the value of the company by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based in the principle that market valuations, taking place between informed buyers and sellers, incorporate all factors relevant to valuation.

We have considered this method for valuation of equity shares of the company detailed calculation Annexure "4".

c) Comparable Transaction Multiple (CTM) Method

Comparable Transaction Multiple Method, also known as 'Guideline Transaction Method' involves valuing an asset based on transaction multiples derived from prices paid in transactions of asset to be valued /market comparable (comparable transactions). We have therefore not considered CTM method for valuation due to non-availability of similar comparable transaction.

12. VALUATION ANALYSIS:

The value per equity share of the company are based on the various approaches/methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the business of the Companies, having regard to information base, key underlying assumptions and limitations. We have applied all the methods discussed above, as considered appropriate, i.e. Cost Approach method, Discounted Cash flow Method, Profit earning capacity value Method and Comparable Companies Multiple Method and for determining value per share of the company.

In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined herein above referred to earlier in this report for the proposed transaction, We recommend the fair value of equity shares of the company at **INR 3.51 (Three Rupee Five One paisa only) per share.**

In terms of Sub-Regulation 1 of Regulation 166A and Regulation 165 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and by using the Valuation Parameters, the following is the Valuation Analysis of Equity Shares of the Company.



Particular	Annexure	Price per share
Net Asset Value Method	1	0.04
Discounted Cash flow Method	2	3.19
Profit Earning Capacity Value Method	3	-8.44
Comparable Companies Multiple (CCM) Method	4	-1.20

For, detailed working calculation of Value of Equity Share, please refer;

- Annexure 1 - For Net Asset Value Method
Annexure 2 - For Discounted Cash flow Method
Annexure 3 - For Profit Earning Capacity Value Method
Annexure 4 - For Comparable Companies Multiple Method

For arriving at the value of per equity share of the company and considering valuation inputs available for determining valuation under Cost Approach method, Discounted Cash flow Method, Profit earning capacity value Method and Comparable Companies Multiple Method, we have applied weights to arrive at the value per equity share of the company. (i.e. 100% weightage to Discounted Cash flow Method because while calculating the valuer per shares from other method the value per share comes negative which is not reflecting the future growth of the company.

Particular	Price per share (A)	Weights (B)	Weighted (C=A*B)
Net Asset Value Method	0.04	0	0
Discounted Cash flow Method	3.19	100%	3.19
Profit Earning Capacity Value Method	-8.44	0	0
Comparable Companies Multiple (CCM) Method	-1.20	0	0
			3.19
Control premium @10%			0.32
Floor price (In Rupees)			3.51

13. CONCLUSION:

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the documents available with me but which will strongly influence the worth of a Shares and Debentures.

In the light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined in this report, I conclude that the Floor Price of the Equity Share of the Company having Face Value of Rupee 2.00 each in terms of Regulation 166A of the SEBI ICDR Regulations and in terms of the Regulation 165 of the SEBI ICDR Regulations as at Relevant date is **INR 3.51 (Three Rupee Five One paisa only) per share.**



Further, as per second proviso to Regulation 166A of SEBI (ICDR) Regulations, 2018, if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso. Accordingly, in this proposed preferential issue it is being informed by the management of the company that there is change in control of the issuer and valuation covering control premium over the price determined.



Annexure “1”
(i) Net Asset Value per share of L C C INFOTECH LIMITED

Particular	(Audited) Amount 30-09-2025
LIABILITIES	
No. of shares	12,65,93,350
PSC (Equity)	25,31,86,700
Reserve & surplus	-24,85,43,000
Long term borrowing	2,25,52,000
Short term provision	23,23,000
Short term borrowing	0
Other current liabilities	1,39,18,000
Trade Payables	91,40,000
TOTAL	5,25,76,700
ASSETS	
Property plant & Equipment	57,40,000
Long Term loans and advances	41,88,000
Other non current assets	0
Inventories	0
Trade Receivables	4,03,09,000
Cash and cash equivalents	2,56,000
Other Current Assets	20,83,700
TOTAL	5,25,76,700
NET ASSET VALUE	46,43,700
Book value (NET ASSET VALUE/No. of Shares)	0.04

Annexure “2”

Discounted cash flow (DCF) Method

Based on the assumptions and business plans provided by the management, Discounted Cash flow (DCF) basis as given below:

a. Free Cash Flow

Explicit Period: Financial Year **ended 2030-21** (6 years).

b. Period considered for projections

We have considered a period of 6 operating years starting from Financial Year 2025-26 for the purpose of valuation so as to cover a business cycle.

Moreover, the longer the period covered by the projection, the less reliable the projections are likely to be. For this reason, the approach is used to value businesses, where the future cash flows can be projected with a reasonable degree of reliability.

c. Discounting Factor

In determining the present value of the cash flows that are available to firm, the discount rate used is **Cost of Capital** of the entity, i.e. Weighted Average Cost of Capital (WACC). This reflects the opportunity cost of the Company WACC is arrived at by using the following formula:

$$= (\text{Cost of Equity} * \text{Shareholders Funds} / \text{Total Funds}) + (\text{Cost of Debt} * \text{Debt} / \text{Total Funds})$$

d. Cost of Equity

The cost of equity has been determined by using Capital Asset Pricing model (CAPM). This has been computed as follows:

$$\text{Cost of equity} = R_f + [R_m - R_f] (\text{Beta})$$

Where;

R_f: denotes risk free rate of return

R_m: denotes return on diversified market portfolio return

R_m-R_f: is the market premium risk

Beta is the systematic risk factor

e. Terminal Value

The terminal value refers to the present value of the business as a going concern beyond the period of projections up to infinity. This value is estimated by taking into account expected growth rates of the business in future, sustainable capital investments required for the business as well as the estimated growth rate of the industry and economy. Based on dynamics of the sector and discussions with the Management, we have assumed a terminal growth rate of 5% for the Company



beyond the projection period.

The cash flow of 6th year has been used to determine the terminal value.

Based on these assumptions, the calculation under the DCF method is as follows:

Calculation Of Weighted Average Cost of Capital	
Risk free rate (Rf)	7.16%
Equity Risk Premium	2.00%
Market rate of return - ER(m)	9.16%
Industry Beta	1.00
Add: Additional Risk Premium (unsystematic risk)	10.00%
Ke	19.16%
Interest	9.00%
Tax	25.17%
Equity	94.74%
Debt	5.26%
WAAC	18.51%

Estimation / projection fair market value of company equity:

Amount in Rs.

FY	2026	2027	2028	2029	2030	2031	TERMINAL
PARTICULARS							
Turnover	5,00,000	1,18,85,00,000	1,55,57,00,000	1,68,53,00,000	1,70,21,48,000	1,71,92,14,480	
PBT	-89,03,000	9,48,97,000	20,32,37,000	24,59,52,000	32,15,95,450	51,63,89,930	
Tax	-	2,38,85,575	5,11,54,753	6,19,06,118	8,09,45,575	12,99,75,345	
PAT	-89,03,000	7,10,11,425	15,20,82,247	18,40,45,882	24,06,49,875	38,64,14,585	
Add : Depreciation	1,03,000	1,03,000	1,03,000	1,03,000	1,03,000	1,03,000	
Less :Capital Expenditure	9,26,99,000	-	-	-	-	-	
Add : Interest (post Tax)	1,00,000.00	7,48,300.00	76,81,299.50	80,65,925.70	80,65,925.70	80,65,925.70	
Opening NWC	1,70,12,000	72,00,00,000	88,89,14,425	95,35,65,247	1,01,96,93,882	1,08,68,92,505	
Less: NWC	70,29,88,000	16,89,14,425	6,46,50,822	6,61,28,635	6,71,98,624	9,20,86,064	
Closing NWC	72,00,00,000	88,89,14,425	95,35,65,247	1,01,96,93,882	1,08,68,92,505	1,17,89,78,569	
Free Cash Flows	-80,43,87,000	-9,70,51,700	9,52,15,725	12,60,86,173	18,16,20,177	30,24,97,447	33,55,31,582
Discounting Factor	1.00	0.84	0.71	0.60	0.51	0.43	0.43
Present value of Cash flow	-80,43,87,000	-8,18,94,171	6,77,96,670	7,57,55,993	9,20,79,610	12,94,10,923	14,35,43,200
Cumulative present value of Cash Flows	42,66,92,225						
Enterprise Value	42,66,92,225						
Add: Cash & Cash Equivalent as on 30-09-2025	2,53,700						
Less: Borrowing as on 30-09-2025	2,25,52,000						
Equity Value	40,43,93,925						
Diluted No. of Shares	12,65,93,350						
Value Per Share (INR)	3.19						



Assumptions in projections:

The valuation of the Company has been carried out using the Discounted Cash Flow (DCF) Method, which estimates the intrinsic value of the business based on its expected future free cash flows and their present value.

The projections used in the valuation are based on management estimates, considering current operating conditions and expected market trends in the music and entertainment industry, with specific reference to film and content production activities.

FY 2026 has been considered as a stabilisation year, as the Company is expected to incur negative free cash flows during this period primarily due to initial working capital build-up, operating scale-up costs, and market normalisation. The negative cash flow in FY 2026 does not indicate any going concern issue and is considered normal for businesses in the initial or expansion phase. Accordingly, discounting of free cash flows has been commenced from FY 2027, being the first year of normalised operations.

Revenue projections are based on expected demand growth, market presence, and pricing assumptions prevailing in the industry. Operating margins are projected considering efficiency improvements and cost rationalisation over the forecast period. Working capital requirements are estimated in line with the Company's operating cycle and industry practices. Capital expenditure has been assumed at levels necessary to support projected operations.

The discount rate applied represents the Company's weighted average cost of capital, considering the risk-free rate, market risk premium, and business-specific risk factors. Terminal value has been computed using a conservative long-term growth rate, reflecting sustainable growth expectations and long-term economic conditions.

The valuation has been prepared on a going concern basis and assumes no material adverse changes in the regulatory, economic, or business environment. The results of the valuation are sensitive to changes in key assumptions such as revenue growth, margins, working capital requirements, and discount rate.

Stagnant Growth:

Revenue and cash flows for FY 2030 and FY 2031 have been assumed to remain stagnant to reflect a mature and normalised phase of operations. This conservative approach accounts for long-term industry cyclicality and avoids reliance on aggressive growth assumptions in the terminal period. The assumption supports a prudent and sustainable valuation outcome.

Discounting factor:

In 1st year due to Capital expenditure only we have considered discount factor=1 and Year=0, then Years 1+ for FCF projections starting post-capex. This aligns with Indian valuation practices under Companies Act/IBC for insolvency or project appraisals



Annexure “3”

Profit Earning Capacity value (PECV) Method

For the year ended on:	Weight	PAT in Rs.	Details
31-03-2025	3.33	-2,15,84,000	-71874720
31-03-2024	3.33	-53,32,44,000	-1775702520
31-03-2023	3.34	-64,08,000	-21402720
Average Profit after Tax			-186897996
No. of equity shares			126593350
Average EPS			-1.48
Capitalisation rate of Industry @			18%
PECV based Equity Value per Share			-8.44

* <https://www.scribd.com/document/90493762/CCI-Guidelines-for-Valuation>

Annexure “4”

PE Ratio value Multiple (PER) Method

For the year ended on:	Weight	EPS	Details
31-03-2025	3.33	-0.09	-0.30
31-03-2024	3.33	-0.04	-0.13
31-03-2023	3.34	-0.05	-0.17
Weighted Average EPS			-0.06
PE Ratio for the industry @			
https://www.screener.in/company/VINSYS/consolidated/			20
PE Ratio based equity value per share			-1.20

Vinsys IT Services India Ltd

₹ 380 -1.36%

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NSE - SME: VINSYS

Market Cap	₹ 558 Cr.	Current Price	₹ 380	High / Low	₹ 475 / 300
Stock P/E	20.0	Book Value	₹ 95.4	Dividend Yield	0.00 %
ROCE	28.7 %	ROE	25.9 %	Face Value	₹ 10.0

Note: Company engaged in the same business. So we have taken PE of same line of industry.

