



GOPAVARAPU MURALI REDDY., FCA

Registered Valuer (Securities or Financial Assets) Under IBBI
Registration No. IBBI/RV/02/2019/11566

**VALUATION
OF
EQUITY SHARES
OF**

**B.N. RATHI SECURITIES LIMITED
CIN: L65993TG1985PLC005838**



Prepared by:
CA GOPAVARAPU MURALI REDDY
(IBBI Registered Valuer)
507, Everest Block, Aditya enclave, Ameerpet,
Hyderabad, Telangana-500038.
RV Registration No – IBBI/RV/02/2019/11566

Date: September 27, 2023

To,
Board of Directors,
B.N. RATHI SECURITIES LIMITED
6-3-652, IV Floor, Kautilya Amrutha Estates,
Somajiguda, Hyderabad, Telangana 500082.

Dear Sir,

Sub: Report on Floor Price for Preferential Allotment of Equity Share calculated in accordance with Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 of B.N. RATHI SECURITIES LIMITED

I refer to our engagement letter dated September 27, 2023 for carrying out the valuation of **Equity Shares of B.N. RATHI SECURITIES LIMITED** (here-in-after referred as "**Company**" or "**BNRSL**"). In accordance with the terms of the engagement, I am enclosing my report along with this letter. In attached report, I have summarized my Valuation analysis of the Shares together with the description of methodologies used and limitation on my Scope of Work.

Based on my assessment and in terms of first Proviso to the Sub-Regulation 1 of Regulation 166A r.w. Sub-Regulation 1 of Regulation 164 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), as amended from time to time, the Floor Price of the Equity Share of the Company having Face Value of Rupees 10.00 each has been arrived at **Rs. 53.41/-**. In case you enquire any further assistance, please feel free to contact me.

This Valuation Analysis is confidential and has been prepared for you for providing the same to government or regulatory authorities and this report can be provided to potential investor of BNRSL for enabling compliance under various laws as detailed herein after in this report. It should not be used, reproduced or circulated to any other person, in whole or in part, without my prior consent. Such consent will only be given after full consideration of the circumstance at that time. I trust that above meets your requirements.

Please feel free to contact us in case you require any additional information or clarifications.

Thanking you,
Yours faithfully,



CA GOPAVARAPU MURALI REDDY
Registered Valuer
IBBI Reg.No. IBBI/RV/02/2019/11566
UDIN: 23234971BGVFYP9136
VRN: IOV/2023-2024/5216
Place: Hyderabad

1. BACKGROUND OF THE COMPANY:

1.1. History:

B.N.RATHI SECURITIES LTD (BNRSL) was incorporated as Lark Leasing Limited, under the Companies Act, 1956 vide Certificate of Incorporation dated 30th September, 1985 with Registration No. 5838 of 1985-86 in the State of Andhra Pradesh. The Certificate of Commencement of Business was issued by the Registrar of Companies, Andhra Pradesh on 14th October, 1985. The name of our Company was changed to B.N.Rathi Securities Ltd and fresh Certificate of Incorporation was issued by the Registrar of Companies, Andhra Pradesh on 15th September, 1994. Our Corporate Identification Number is L65993TG1985PLC005838.

Company was incorporated out of the aspirations of Late Shri B.N.Rathi, Founder Member of Hyderabad Stock Exchange and Former Chairman of AP Mahesh Co-operative Bank and Director of many other companies and nurtured through generations by his son Shri H.N. Rathi (Managing Director) twice president of HSE and his grandson Mr. Chetan Rathi (Whole-Time-Director & CFO). The Board consists not only of the highly experienced generational hierarchy, but also industry stalwarts with a wealth of expertise including Shri Lakshminiwas Sharma – Chairman , Shri K. Harish Chandra Prasad – Director and Smt. Santhi Sree Bolleni – Director

B.N.Rathi Securities Ltd is a public listed stock broking firm providing integrated type of services, encompassing the entire spectrum of activities relating to the Financial Market Transactions. BNRSL Group has been into the financial markets for over Five Decades and this vast experience is put to use for providing the best services in today's complex financial markets. Our pedigree lineage, through our parent BNRSL Group enables us with the expertise to offer the following range of services.

Equity Shares of BNRSL are listed on Bombay Stock Exchange Limited.

1.2. Capital Structure of the Company;

Particulars	Amount (in Rs.)
Authorized Share Capital	
1,20,00,000 Equity shares of Rs.10 each	12,00,00,000
Issued, Subscribed & Fully Paid Share Capital	
84,00,000 Equity shares of Rs.10 each	8,40,00,000
Total Paid up Share Capital	8,40,00,000



1.3. The summarized shareholding pattern of the Company as on 30th June 2023 is as follows:

Shareholder Category	No. of Equity Shares	% of Holding
Promoter and Promoter Group	48,80,298	58.10%
Public	35,19,702	41.90%
Total	84,00,000	100%

(Source: BSE)

1.4. Board of Directors and Other Key Managerial persons:

Name of Person	DIN	Designation	Date of Appointment
Laxminiwas Sharma	00010899	Director	29/01/1990
Hari Narayan Rathi	00010968	Managing Director	01/10/2010
Harishchandra Prasad Kanuri	00012564	Director	06/06/1994
Chetan Rathi	00536441	Wholetime Director	01/04/2010
Chetan Rathi	ABAPR7440N	CFO(KMP)	27/05/2014
Shanti Sree Bolleni	07092258	Director	12/02/2015
Gadila Sabitha Reddy	BKFPG1533A	Company Secretary	01/04/2015

2. SCOPE AND PURPOSE OF THIS REPORT:

- 2.1 The Company proposes to issue the Securities to an identified investors on preferential Basis (“the proposed Transaction”) and needs to determine the floor price of securities as per Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time (“ICDR 2018”). The Company has informed to us that they propose to issue Securities which shall be more than 5% of the post issue fully diluted share capital of the Company.
- 2.2 In this connection, the Company has engaged us to submit a report on floor price of the Securities for preferential allotment.
- 2.3 The Scope of our service is to submit a report on floor price of the Securities of the company calculated in accordance with Regulation 164(1) - Pricing of frequently traded shares and Regulation 166 & 166A of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Indian Valuation Standards issued by ICAI (Ind VS).
- 2.4 Management of the Company has informed us to consider the Valuation Date for the current valuation exercise as 27th September 2023 (“Valuation Date”). Therefore, the cut off date for all information, including market data, has been considered till 22nd September 2023 for valuation under Regulation 164(1) of ICDR 2018 and 30th June 2023 for valuation under Regulation 166A (1) of the ICDR 2018.



3. **KEYDATES:**

Appointing Authority-Audit Committee of the BNRSL

Appointment Date: September 27, 2023

Valuation Date/Relevant Date: September 25, 2023

Report Date: September 27, 2023

4. **IDENTITY OF VALUER:**

I am independent Registered Valuer as required under the Companies (Registered Valuer & Valuation) Rules, 2017 registered with Insolvency & Bankruptcy Board of India having registration no. IBBI /RV/ 02/2019 /11566 . No other Experts are involved in this valuation exercise.

5. **PECUNIARY INTEREST DECLARATION:**

I do not have pecuniary interest in the Shares of BNRSL, past, present or prospective, and the opinion expressed is free of any bias in this regard. I strictly follow the code of conduct of the IOV Registered Valuer Foundation registered under IBBI.

6. **SOURCES OF INFORMATION:**

I have been provided the following information for the valuation analysis:

- 6.1. MOA & AOA of BNRSL;
- 6.2. Annual Report for the year ended on March 31,2021 and March 31 ,2022, March 31 ,2023
- 6.3. June-2023 Quarterly Results of the company.
- 6.4. Trading History Data of Equity Shares of BNRSL for last one year from relevant Date;
- 6.5. Written Representations made by the Company in course of the valuation exercise;
- 6.6. Other related information from various sources;

Besides the above listing, there may be other information provided by the Client which may not have been perused by me in any detail, if not considered relevant for my defined scope.

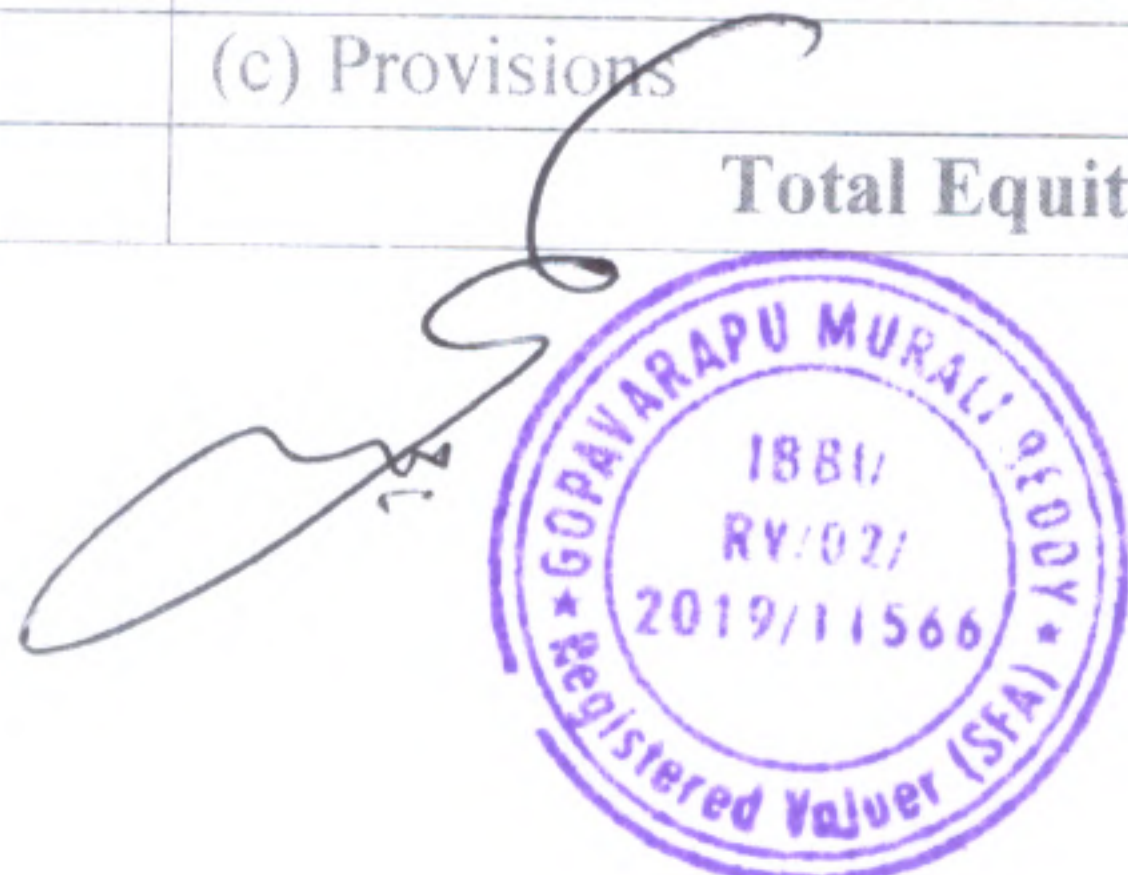
Discussions (in person / over call) with the management to: Understand the business and fundamental factors that affect its earning- generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance. During the discussions with the management, I have also obtained explanations and information considered reasonably necessary for this exercise.




7. **FINANCIAL INFORMATION:**

(Amounts in Lakhs)

	Particulars	Figures as at the end of 31.03.2023	Figures as at the end of 31.03.2022
1	ASSETS		
	Non-current assets		
	(a) Property, Plant and Equipment	323.25	331.83
	(b) Intangible assets	4.92	12.61
	(c) Financial Assets		
	(i) Investments	100.00	150.00
	(ii) Trade receivables	-	-
	(iii) Long term loans and Advances	164.50	171.89
	(i) Deferred tax assets (net)	31.47	32.08
	(j) Other non-current assets	26.20	25.21
2	Current assets		
	(a) Inventories		
	(b) Financial Assets		
	(i) Investments	7.00	7.00
	(ii) Trade receivables	778.86	1,055.41
	(iii) Cash and cash equivalents	2,906.05	2,456.72
	(iv) -Bank balances other than above	9,128.21	9,788.14
	(v) Loans	-	50.00
	(vi) Other Financial Assets	1,650.32	163.84
	(c) Income taxes	12.01	32.59
	(d) Other current assets	61.04	96.26
	Total Assets	15,193.83	14,373.58
	EQUITY AND LIABILITIES Equity		
	(a) Equity Share capital	840.00	840.00
	(b) Other Equity	3,141.32	2,471.30
	LIABILITIES		
1	Non-current liabilities		
	(a) Financial liabilities		
	- Borrowings		164.12
	(b) Provisions	51.08	52.38
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Trade payables	11,068.58	10,756.04
	(ii) Other financial liabilities (other than those specified in item (c))	-	4.86
	(b) Other current liabilities	85.16	77.73
	(c) Provisions	7.69	7.15
	Total Equity and Liabilities	15,193.83	14,373.58



8. VALUATION METHODOLOGY AND APPROACH:

8.1. VALUATION BASE

As per the Indian Valuation Standards 102 Valuation Bases, of Indian Valuation Standards 2018 issued by The Institute of Chartered Accountants of India, Valuation Base means the indication of the type of value being used in an engagement. Different valuation bases may lead to different conclusions of value. Therefore, it is important to identify the bases of value pertinent to the engagement. For the purpose of arriving at the value of the equity shares in the instant case, the valuation base is considered as 'Fair Value'. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. Fair value reflects characteristics of an asset which are available to market participants in general and do not consider advantages/ disadvantages which are available/applicable only to particular participant(s).

8.2. VALUATION PREMISE

Indian Valuation Standards 102 also defines the 'premise of value' which refers to the conditions and circumstances how an asset is deployed. In a given set of circumstances, one or more premise of value may be adopted. The IVS provides a list of common premises of value. These are Highest and best use, Going concern value, as is where is value, orderly liquidation and forced transaction.

For the purpose of arriving at the value of the equity shares in the instant case, the valuation premise is considered as **Going Concern value**. Going concern value is the value of a business enterprise that is expected to continue to operate in the future.

8.3. Ind VS 301 on Business Valuation deals with valuation of a business or business ownership interest (i.e., it includes valuation of equity share). This standard specifies that following three approaches are used for valuation of business / business ownership interest:

Market Approach
Income Approach
Cost Approach

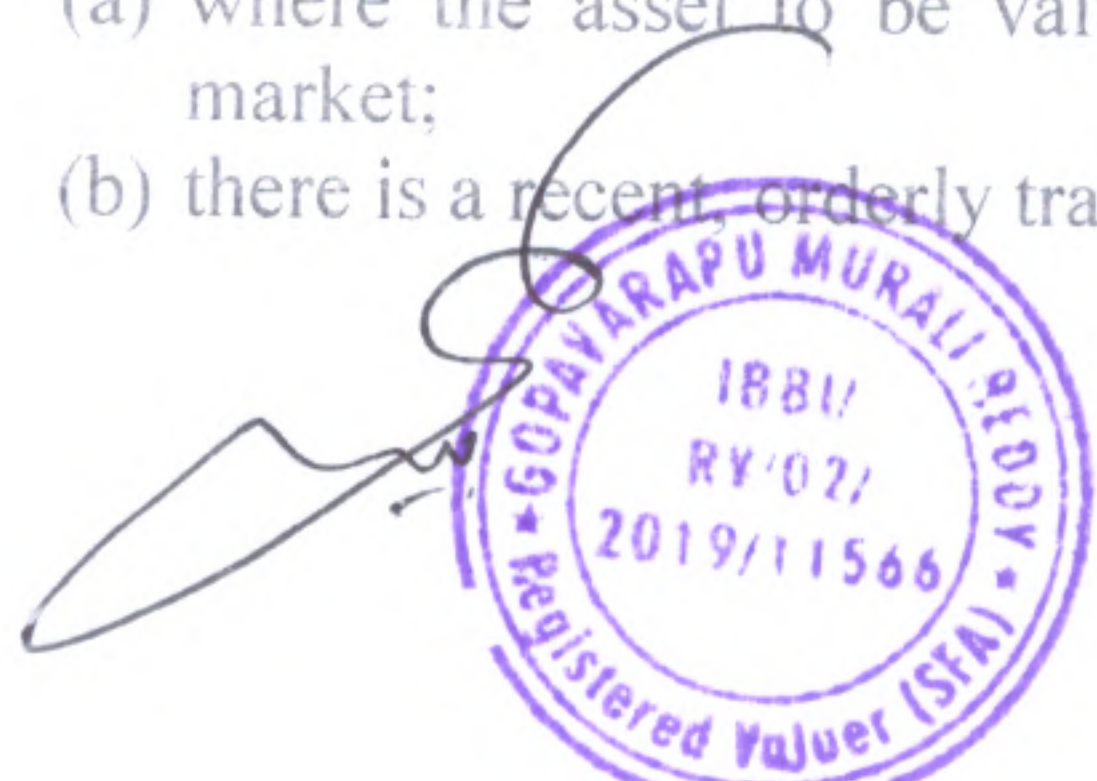
Each of the above approaches are discussed in the following paragraphs.

8.4. 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 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



- (c) there are recent comparable orderly transactions in identical or comparable asset(s) and information for the same is available and reliable.

Under this approach following valuation methods are commonly used:

Market price method, which uses traded price observed over a reasonable period while valuing assets which are traded in the active market.

Comparable Companies Multiple (CCM) method, which involves valuing an asset based on market multiples derived from prices of market comparable traded on active market. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. To the value of the business so arrived, adjustments need to be made for the value of contingent assets/liabilities, surplus Asset and dues payable to preference shareholders, if any, in order to arrive at the value for equity shareholders.

Comparable Transaction Multiple (CTM) method, which involves valuing an asset based on transaction multiples derived from prices paid in comparable transactions of assets to be valued.

We have adopted Market price method as company is listed and traded price is available

8.5. Income Approach

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

This approach involves discounting future amounts (cash flows/income/cost savings) to a single present value.

The following are some of the instances where a valuer may apply the income approach:

- (a) where the asset does not have any market comparable or comparable transaction;
- (b) where the asset has fewer relevant market comparables; or
- (c) where the asset is an income producing asset for which the future cash flows are available and can reasonably be projected.

Some of the common valuation methods under income approach are as follows:

Discounted Cash Flow ('DCF') Method

Value arrived under this approach is based on maintainable or future amounts (e.g., cash flows or income and expenses) converted into a single current value (e.g., discounted or capitalised amount). Under this technique, either:

the projected free cash flows from business operations available to all providers of capital are discounted at the weighted average cost of capital to such capital providers, from a market participant basis, and the sum of such discounted cash flow is the value of the business, from which value of debt and other capital is deducted, and other relevant adjustments made to arrive at the value of equity Free Cash Flow to Firm ("FCFF") Technique; or



The projected free cash flows from business operations available to equity shareholders (after deducting cash flows attributable to the debt and other capital providers) are discounted at the cost of equity, from a market participant basis, and the sum of such discounted free cash flows, after making other relevant adjustments, is the value of equity- Free Cash flow to Equity (“FCFE”)

Relief from Royalty (RFR) Method

RFR Method is a method in which the value of the asset is estimated based on the present value of royalty payments saved by owning the asset instead of taking it on lease. It is generally adopted for valuing intangible assets that are subject to licensing, such as trademarks, patents, brands, etc.

Multi-Period Excess Earnings Method (MEEM)

MEEM is generally used for valuing intangible asset that is leading or the most significant intangible asset out of group of intangible assets being valued.

With and Without Method (WWM)

Under WWM, the value of the intangible asset to be valued is equal to the present value of the difference between the projected cash flows over the remaining useful life of the asset under the following two scenarios:

- (a) business with all assets in place including the intangible asset to be valued; and
- (b) business with all assets in place except the intangible asset to be valued

Price Earning Capacity Value (PECV)

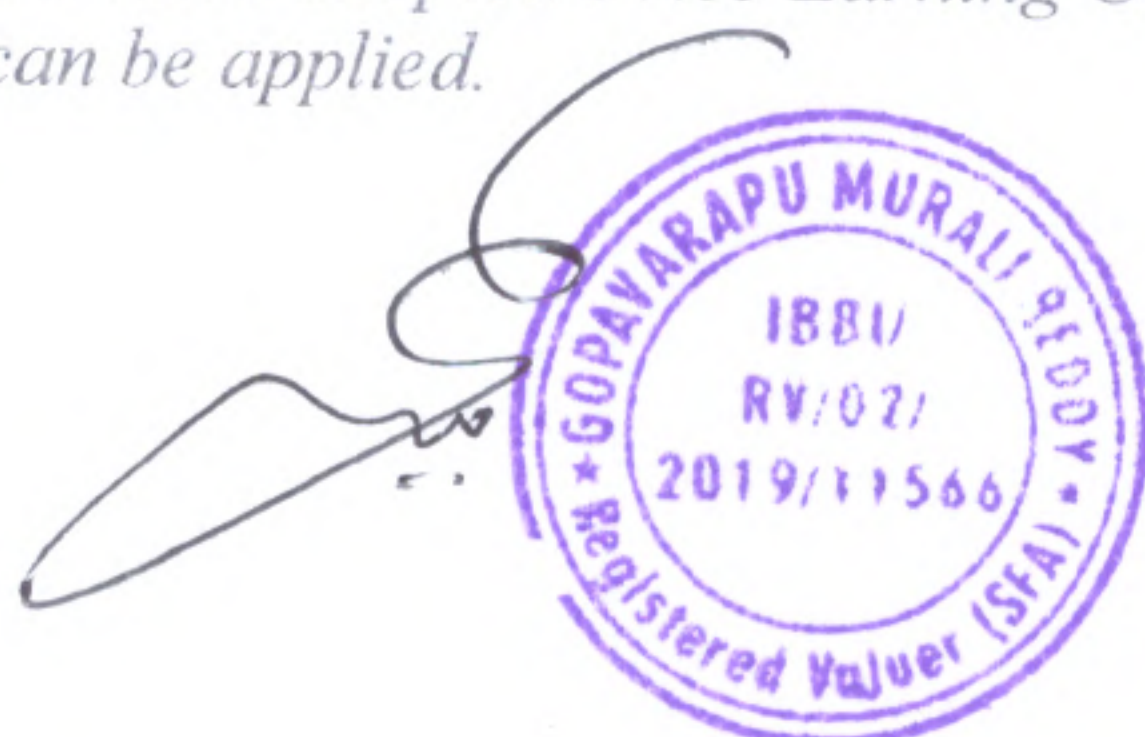
The profit-earning capacity value will be calculated by capitalizing the average of the after-tax profits at the following rates;

- 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.

In the current case, Discounted Cash Flow Method under the Income Approach has not been considered as the management has not provided us the information related to future financial projections being price sensitive.

We have adopted Price Earning Capacity Value (PECV) as the past financial data is available can be applied.



8.6. Cost Approach

Cost approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost). In certain situations, historical cost of the asset may be considered by the valuer where it has been prescribed by the applicable regulations/law/guidelines or is appropriate considering the nature of the asset.

Examples of situations where a valuer applies the cost approach are:

- (a) an asset can be quickly recreated with substantially the same utility as the asset to be valued;
- (b) in case where liquidation value is to be determined; or
- (c) income approach and/or market approach cannot be used.

The following are the two most commonly used valuation methods under the Cost approach:

Replacement Cost Method

Replacement Cost Method, also known as 'Depreciated Replacement Cost Method' involves valuing an asset based on the cost that a market participant shall have to incur to recreate an asset with substantially the same utility (comparable utility) as that of the asset to be valued, adjusted for obsolescence.

Reproduction Cost Method

Reproduction Cost Method involves valuing an asset based on the cost that a market participant shall have to incur to recreate a replica of the asset to be valued, adjusted for obsolescence.

We have considered 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.

8.7. Applicable Provisions of ICDR 2018

As stated in the previous section, we have to determine the floor price of Securities of the Company, as per the relevant provisions of ICDR Regulations as applicable, which are as follows:

As per Regulation 164 (1) - for frequently traded shares, the floor price of the equity shares to be allotted pursuant to preferential issue shall be higher of 90/10 trading Days' volume weighted average price (VWAP) of the scrip preceding the relevant date.

As per first proviso to Regulation 164 (1) - 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.



As per Regulation 166A(1) - An additional requirement for a valuation report from an independent registered valuer shall be required in case of change in control/ allotment of more than 5% of post issue fully diluted share capital of the issuer company to an allottee or to allottees acting in concert. The same shall be considered for determination of floor price in addition to the methodology brought out above.

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:

As per Regulation 166A(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.

Explanation—The meeting of the independent directors referred in sub-regulation (2) shall be attended by all the independent directors on the board of the issuer.]

As per Regulation 164(5)-“Frequently traded shares” means the shares of the issuer, in which the traded turnover on any recognized 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.

As per Regulation 161- the ‘ Relevent date’ in case of preferential issue of equity shares means the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue.



9. VALUATION METHODS ADOPTED

9.1. Net Asset Value (NAV)

9.2. Price Earning Capacity Value (PECV)

9.3. Market Value.

9.1 Net Asset Value (NAV)

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 arrived value per share Rs.49.84 under this method workings enclosed in annexure -1

9.2 Price Earning Capacity Value (PECV)

The profit-earning capacity value will be calculated by capitalizing 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.

We have arrived value per share Rs.41.05 under this method; workings enclosed in annexure -2

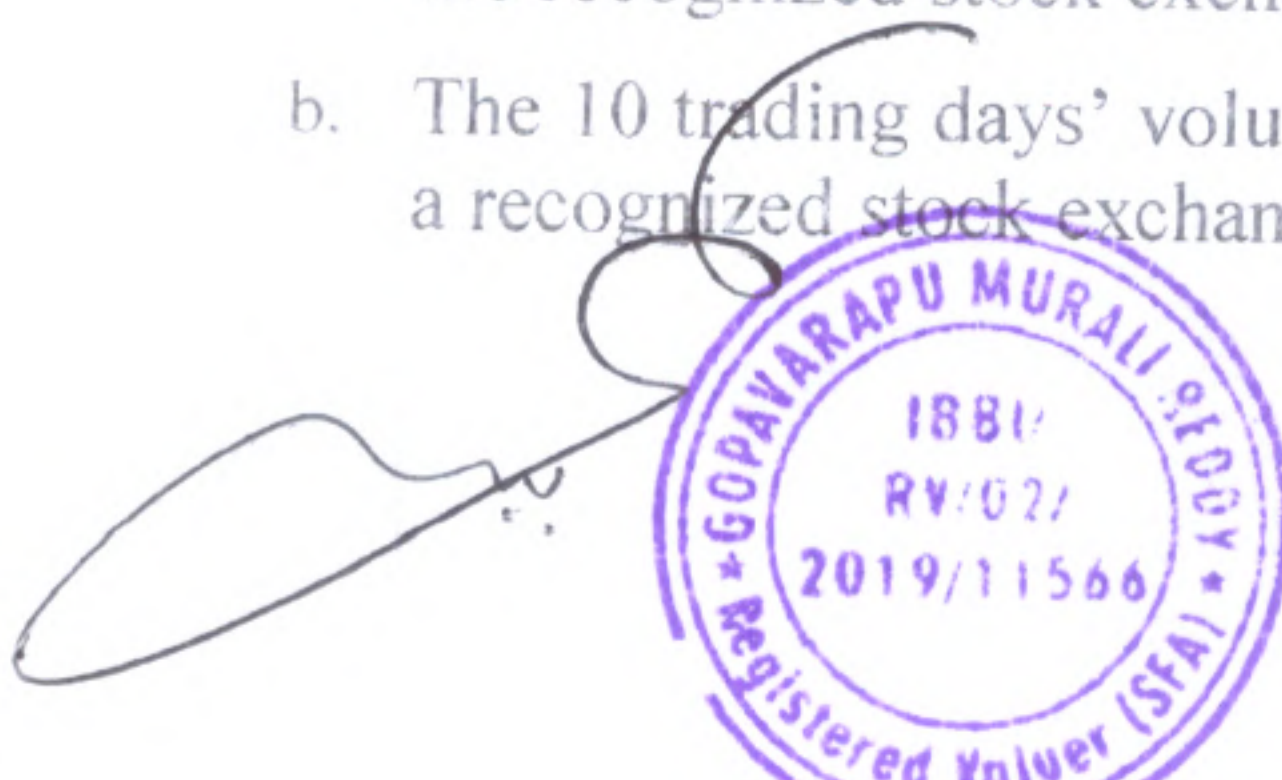
9.3 Market Value: As per the Provisions of Regulation 164(1) of ICDR 2018

The Equity Shares of Company are listed on Bombay Stock Exchange Limited (BSE) for a period of more than 90 trading days as on the relevant date i.e. Monday, September 25, 2023 and are frequently traded in accordance with SEBI ICDR Regulations.

In case of "frequently traded shares(Regulation 164(1) of the SEBI ICDR Regulations:

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 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.

Articles of Association of the Company do not provide for any particular method of determination which results in a floor price higher than that determined under SEBIICDR Regulations.

The Company's Equity Share are listed only at i.e. on Bombay Stock Exchange Limited and accordingly, "Bombay Stock Exchange Limited" is the Stock exchange on 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.

Particulars	Value per Share
Average of 90 trading days VWAP	46.14
Average of 10 trading days VWAP	53.41
Higher of the above	53.41

(workings enclosed in annexure -3)

10. VALUATION ANALYSIS:

As informed to us by the Client, the allotment of Securities shall be more than 5% of post issue fully diluted share capital of the issuer company to an allottee or to allottees acting in concert. Accordingly, an independent valuation by registered valuer has been undertaken:

In terms of first Proviso to the Sub-Regulation 1 of Regulation 166A r.w. Sub-Regulation 1 of Regulation 166A and Sub-Regulation 1 of Regulation 164 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.

Sr. No.	Valuation Parameters	Value per Equity Share (in Rupees)
1.	Price Earning Capacity Value Method	41.05
2.	Market Value Method	53.41
3.	Net Assets Value Method	49.84



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

Annexure 1 -For Net Assets Value Method

Annexure 2 -For Price Earning Capacity Value Method

Annexure 3 -For Market Value Method (Value as per regulation 164(1) of ICDR regulation – Refer para 9.3)

Sr. No	Method	Value per Equity Share (in Rupees) (A)	Weights(B)	Weighted (C=A*B)
1.	Price Earning Capacity Value Method	41.05	25%	10.26
2.	Market Value Method	53.41	50%	26.71
3.	Net Assets Value Method	49.84	25%	12.46
		Total(D)	1	49.43

11. 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 us 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 as under;

Sr. No.	Provisions	Minimum Floor Price (in Rupees)
A	Floor Price in terms of first Proviso to the Sub-Regulation 1 of Regulation 166A of the SEBI ICDR Regulations	49.43
B	Floor Price in terms of the Sub-Regulation 1 of Regulation 164 of the SEBI ICDR Regulations	53.41

Accordingly, the Floor Price of the Equity Share of the Company having Face Value of Rupees 10.00 each in terms of Chapter V of SEBI ICDR Regulations as at Relevant date is **INR 53.41/- (Rupees Fifty Three and Forty One Paise).**



12. CAVEATS, LIMITATIONS AND DISCLAIMERS:

My report is subject to the scope limitations detailed hereinafter.

As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. My engagement for this valuation consulting work does not include any procedures designed to discover any defalcations or other irregularities, should any exist.

I have provided an assessment of the value based on the information available, application of certain formula and within the scope and constraints of our engagement, others may place a different value to the same. However, I independently did not verify such information and make no representation as to the accuracy or completeness of such information obtained from or provided by such sources.

The company and its representatives warranted to us that the information supplied to us was complete and accurate to the best of their knowledge and that the financial information properly reflects the business conditions and operating results for the respective periods in accordance with generally accepted accounting principles. Information supplied to us has been accepted as correct without any further verification. I have not audited, reviewed, or compiled the historical provided to us and, accordingly, i do not express any audit opinion or any other form of assurance on this information. Because of the limited purpose of the information presented, it may be incomplete and contain departures from generally accepted accounting principles. In the course of the valuation, i were provided with both written and verbal information. I have however, evaluated the information provided to us by the Company through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement.

My conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company. I assume no responsibility for any errors in the above information furnished by the Company and consequential impact on the present exercise.

The draft of the present report was circulated to the Management for confirming the facts stated in the report and to confirm that information or facts stated are not erroneous and the assumptions used are reasonable.

No investigation on the Company's claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the liabilities in the books. Therefore, no responsibility is assumed for matters of a legal nature.

My work does not constitute an audit or certification of the historical financial statements including the working results of the Company referred to in this report. Accordingly, I am unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation mentioned in the report and it is as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

I have no responsibility to update this report for events and circumstances occurring after the date of this report. My fees is not contingent to the results or output of this report. I will not be responsible to appear in front of Companies act, income tax, RBI or any other regulatory authority in relation to the said valuation.

The decision to carry out the transaction (including consideration thereof) on the basis of this valuation lies entirely with the PPL and my work and my finding shall not constitute a recommendation as to whether or not PPL should carry out the transaction. The report and



conclusion of value are not intended by the author and should not be construed by the reader to be investment advice in any manner whatsoever. The conclusion of value represents my opinion, based on information furnished to us by the client and other sources. Any person/party intending to provide finance/invest in the shares/business of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

My report is meant for the purpose mentioned in point 2 of this report and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.



I acknowledge that I am independent valuer and have no present or contemplated financial interest in the Company. My 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. I have not been engaged by the Company in any unconnected transaction during last five years.

Neither me, nor any managers, employees of my firm makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuations carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

Thanking you,

yours

faithfully,



CA GOPAVARAPU MURALI REDDY

(IBBI Registered Valuer)

**Flat No.507, Everest Block, Aditya enclave, Ameerpet,
Hyderabad, Telangana-500038.**

RV Registration No – IBBI/RV/02/2019/11566

Valuation of Equity Shares of BNRSL under NAV Method:

Calculation of Net Assets Value of the Company as at June 30, 2023

Particulars	Amount in Rs. Lakhs
Share Capital	840.00
Add: Reserves and Surplus	3,346.93
Net worth	4,186.93
No. of Equity Shares Issued, Subscribed	84.00
Book Value per Share in Rupees	49.84




Annexure-2

Valuation of Equity Shares of BNRSL under PECV Method:

Amount in Lakhs

Particulars	2022-23	2021-22	2020-21	Total
Total Revenue	4,030.80	3,795.49	2,906.53	10,732.82
Profit Before Tax	1,044.68	626.01	506.74	2,177.43
Weights	3	2	1	6
Product	3,134.04	1,252.02	506.74	4,892.80
Weighted Average Profit Before Tax				815.47
Tax@26%				212.02
Future Maintainable Profit				603.45
Capitalization rate@17.5%				3,448.26
No of Shares				84.00
Fair Value under PECV Method				41.05

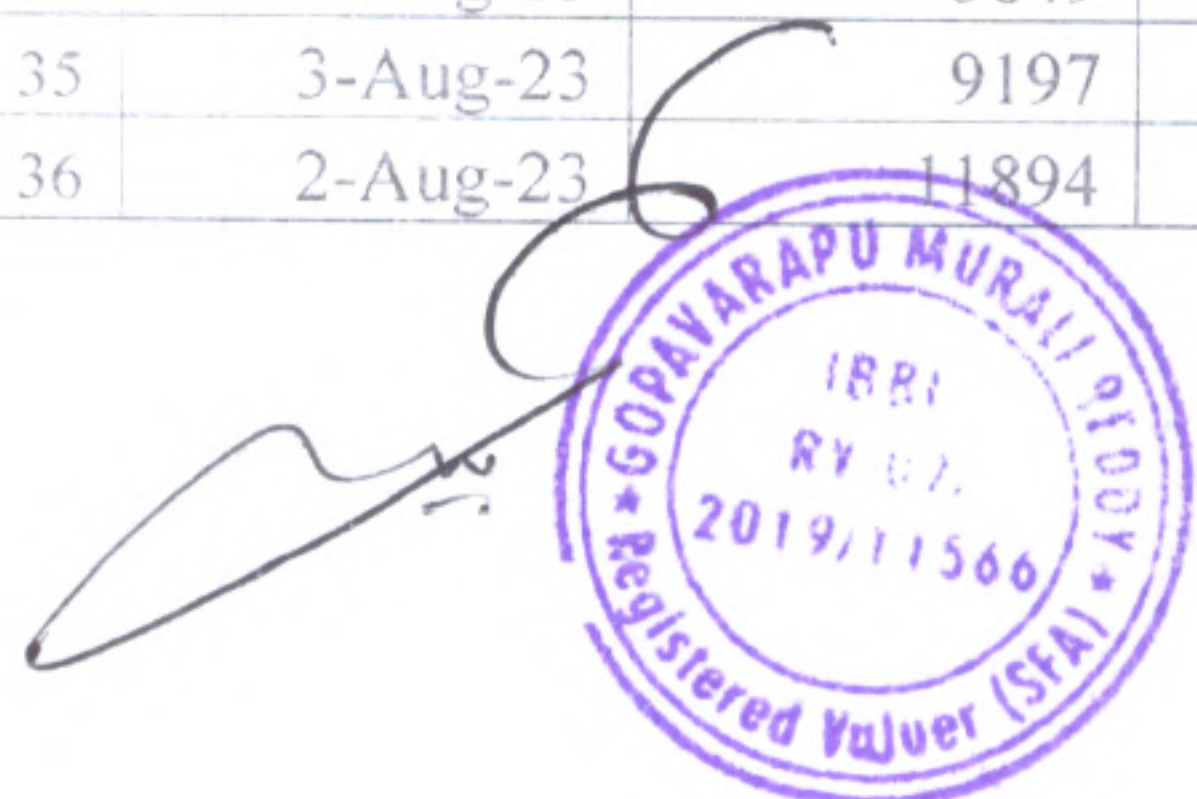


Valuation of Equity Shares of BNRSL under Market Price Method

(Source: Bombay Stock Exchange Limited)

Average of the volume weighted average price (VWAP) of the equity shares of B.N. RATHI SECURITIES LIMITED quoted on the Bombay Stock Exchange Limited during the 90 trading days preceding the relevant date (considering relevant date as 25/09/2023).

Days	Date	No. of shares Traded	Total Turnover (Rs.)	Days	Date	No. of shares Traded	Total Turnover (Rs.)
1	22-Sep-23	21221	1151671	46	19-Jul-23	6145	237846
2	21-Sep-23	13068	715684	47	18-Jul-23	7117	279999
3	20-Sep-23	35778	1990091	48	17-Jul-23	15751	622409
4	18-Sep-23	45745	2582168	49	14-Jul-23	19606	765514
5	15-Sep-23	70120	3803707	50	13-Jul-23	9610	371373
6	14-Sep-23	13512	689804	51	12-Jul-23	22511	864719
7	13-Sep-23	34061	1726469	52	11-Jul-23	16944	653715
8	12-Sep-23	29787	1497882	53	10-Jul-23	9115	351723
9	11-Sep-23	35320	1837044	54	7-Jul-23	15091	589018
10	8-Sep-23	120975	6417704	55	6-Jul-23	10766	419455
11	7-Sep-23	328453	17803924	56	5-Jul-23	7911	310105
12	6-Sep-23	20041	938559	57	4-Jul-23	6791	264221
13	5-Sep-23	3447	164902	58	3-Jul-23	6620	262519
14	4-Sep-23	18662	903606	59	30-Jun-23	11813	471927
15	1-Sep-23	13464	662070	60	28-Jun-23	8062	321201
16	31-Aug-23	32211	1611470	61	27-Jun-23	5467	210287
17	30-Aug-23	30588	1523396	62	26-Jun-23	7102	274140
18	29-Aug-23	126201	6264665	63	23-Jun-23	16133	632962
19	28-Aug-23	352982	16926809	64	22-Jun-23	42734	1781904
20	25-Aug-23	9251	392370	65	21-Jun-23	20572	866796
21	24-Aug-23	18631	789824	66	20-Jun-23	37919	1581101
22	23-Aug-23	19637	832973	67	19-Jun-23	37497	1547853
23	22-Aug-23	31823	1363963	68	16-Jun-23	11582	474749
24	21-Aug-23	8683	370015	69	15-Jun-23	18346	756140
25	18-Aug-23	12529	537341	70	14-Jun-23	27153	1124137
26	17-Aug-23	13271	579812	71	13-Jun-23	30463	1243616
27	16-Aug-23	11747	517690	72	12-Jun-23	33238	1370565
28	14-Aug-23	25989	1119274	73	9-Jun-23	51072	2088732
29	11-Aug-23	8932	378969	74	8-Jun-23	10910	425453
30	10-Aug-23	8271	350396	75	7-Jun-23	22256	857404
31	9-Aug-23	5354	230948	76	6-Jun-23	27184	1016048
32	8-Aug-23	11089	474254	77	5-Jun-23	130160	4637755
33	7-Aug-23	5710	242826	78	2-Jun-23	6315	242964
34	4-Aug-23	5849	247685	79	1-Jun-23	8846	339978
35	3-Aug-23	9197	389334	80	31-May-23	15572	604587
36	2-Aug-23	11894	501600	81	30-May-23	3403	136357



37	1-Aug-23	22889	989780	82	29-May-23	8401	333929
38	31-Jul-23	21070	926652	83	26-May-23	9412	376113
39	28-Jul-23	12425	539808	84	25-May-23	2287	89176
40	27-Jul-23	63797	2809787	85	24-May-23	13732	533216
41	26-Jul-23	11513	482976	86	23-May-23	12298	481871
42	25-Jul-23	28566	1203159	87	22-May-23	2589	103778
43	24-Jul-23	22313	924019	88	19-May-23	629	25500
44	21-Jul-23	38173	1578540	89	18-May-23	5802	235096
45	20-Jul-23	33707	1362001	90	17-May-23	9887	400096
Total Turnover							12,09,25,668
Total Number of Shares traded							26,20,760
Average Value							46.14



Average of the volume weighted average price (VWAP) of the equity shares of B.N. RATHI SECURITIES LIMITED quoted on the Bombay Stock Exchange Limited during the 10 trading days preceding the relevant date(considering relevant date as 25/09/2023)

Days	Date	No. of share Traded	Total Turnover (Rs.)
1	22-Sep-23	21221	1151671
2	21-Sep-23	13068	715684
3	20-Sep-23	35778	1990091
4	18-Sep-23	45745	2582168
5	15-Sep-23	70120	3803707
6	14-Sep-23	13512	689804
7	13-Sep-23	34061	1726469
8	12-Sep-23	29787	1497882
9	11-Sep-23	35320	1837044
10	8-Sep-23	120975	6417704
Total		4,19,587	2,24,12,224
Average Price (Total Turnover/Total Shares)			53.41

A	Average of 90 trading days VWAP	46.14
B	Average of 10 trading days VWAP	53.41
C	Applicable Minimum Price (Higher of the A or B)	53.41

