Annexure - 3

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Report
On

Share Exchange Ratio

(As of 8th August 2022)

Indo Amines Limited
&
Pious Engineering Private Limited

Report issued on 8th August 2022

By

ARUN RAJENDRA LAHOTI

Registered Valuer – Securities or Financial Assets
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INDO AMINES LTD. DOMBIVLI (EAST)

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INDO AMINES LTD. DOMBIVLI (EAST)

Arun Rajendra Lahoti
Registered Valuer - *Securities or Financial Assets*
Valuer Registration No. IBBI/RV/06/2018/10115

Date: 8th August 2022

To,
Audit Committee Board/ Board of Directors,
Indo Amines Limited
Plot No-W-44, Phase – II,
Dombivali East,
Thane – 421203.

The Board of Directors
Pious Engineering Private Limited
Plot 73, Laxmi Terrace, Ranade Road
Shivaji Park, Dadar West,
Mumbai – 400028.

Dear Madam/ Sir,

Sub: Recommendation of Share Exchange Ratio in connection with the proposed Scheme of Amalgamation under section 230 to 232 of the Companies Act, 2013

I refer to the engagement letter and subsequent discussion with the management of **Indo Amines Limited** ('IAL' or 'Transferee Company') and **Pious Engineering Private Limited** ('PEPL' or 'Transferor Company') (hereinafter management of both the companies together referred to as the 'Management', and both the companies together referred to as the 'Transacting Companies') wherein the Management has requested Arun Rajendra Lahoti, Registered Valuer – Securities or Financial Assets ('Valuer', 'I' or 'me'), to recommend Share Exchange Ratio in connection with the proposed Scheme of Amalgamation between IAL and PEPL under section 230 to 232 of the Companies Act, 2013 and rules and regulations made thereunder ('Scheme'). This report ('Report') sets out the findings of my exercise. In the following paragraphs, I have summarized my valuation analysis together with the assumptions used, methodologies employed and limitations on my scope of work.

Context, Purpose and Scope of this report

I have been informed that the Board of Directors of the Transacting Companies are desirous of considering a proposal to amalgamate the Transacting Companies. As a consideration for the aforesaid proposed amalgamation, equity shares of Transferee Company would be issued to the shareholders of Transferor Company. The equity shares to be issued for the proposed amalgamation will be based on the Share Exchange Ratio as approved by the Board of Directors after considering, amongst other things, this report.

The purpose of this report is to provide the Board of Directors of the Transacting Companies with a basis that will aid in fixing Share Exchange Ratio for the proposed transaction. The scope of my service is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the fair value of equity shares of IAL and PEPL using internationally accepted valuation standards and methodologies, and recommend the Share Exchange Ratio.

I understand that the appointed date for the proposed Scheme shall be 1st April 2022 as defined

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in the Scheme or such other date as the competent authority may direct or approve. I have determined the Share Exchange Ratio for the proposed Scheme as of the report date ('Valuation Date').

This report is my deliverable for the above engagement. The report is subject to the scope, assumptions, exclusions, limitations and disclaimers 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. The report has been prepared exclusively for specified purpose as mentioned above and hence should not be used for any other purpose, without obtaining the prior written consent from me. This report should not be considered by anyone as investment advice.

Brief profile of the Transacting Companies

IAL is a public listed company, incorporated on 17th December 1992 under the provisions of the Companies Act, 1956, bearing corporate identity number L99999MH1992PLC070022, having its registered office at Plot No. W-44, Phase – II, Dombivali East, Thane – 421203.

IAL is a world-wide manufacturer, developer and supplier of fine and specialty chemicals, performance chemicals, perfumery chemicals and active pharmaceutical ingredients. It has five manufacturing units in Gujarat and Maharashtra. The products manufactured by the company have applications in several industries – Fertilizer, Agrochemicals, Pharmaceuticals, High Performance Polymers, Paints, Pigments, Printing Inks, Rubber Chemicals, Additives, Surfactants, Dyes & Intermediates, Road Construction, Flavors & Fragrances, Home & Personal Care usage, Petrochemicals, Pesticides, and Perfumery.

The issued, subscribed and paid-up equity share capital of IAL as of 30th June 2022 stood at INR 70.70 Cr, comprising 7,06,97,560 equity shares of face value INR 5 each.

The summarized shareholding pattern as of 30th June 2022 is as follows:

S. N.	Shareholder Category	No. of Equity Shares	% Holding
1	Promoter and Promoter Group	4,90,15,110	69.33%
2	Public	2,16,82,450	30.67%
	Total	**7,06,97,560**	**100%**

Source: BSE

PEPL is a private company limited by shares, incorporated on 2nd August 1996 under the provisions of the Companies Act, 1956, bearing corporate identity number U29200MH1996PTC101573, having its registered office at Plot 73, Laxmi Terrace, Ranade Road, Shivaji Park, Dadar West, Mumbai – 400028.

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PEPL is engaged, inter alia, in the business of manufacturing, processing, importing, exporting, trading or dealing in dies, blocks, moulds, tools, jigs, patterns, stores, spare parts, accessories, designs, profiles, industrial appliances, storage tanks, reactors, heat exchangers, ANFD, implements and equipment's and to carry on the process of grinding, machining, punching, drawing, fabrication, rolling, bending, slitting, pressing, sheaving, engineering on Iron & steel, alloy steel carbon, ferrous and non-ferrous metal on job work or contract basis or on their own material for sell. As of 31st July 2022, PEPL has a healthy order book of INR 12.69 Crores.

The issued, subscribed and paid-up equity share capital of PEPL as of 30th June 2022 stood at INR 0.36 Cr. comprising 36,000 equity shares of face value INR 100 each.

The shareholding pattern as of 30th June 2022 is as follows:

S. N.	Shareholder	No. of Equity Shares	% Holding
1	Mr. Vijay Palkar	18,000	50%
2	Mrs. Bharati Palkar	18,000	50%
	Total	**36,000**	**100%**

About the Scheme

I have been informed that The Board of Directors of the Transacting Companies are proposing a Scheme of Amalgamation which entails amalgamation of the Transferor Company with the Transferee Company by way of merger by absorption and dissolution of Transferor Company without winding up, the consequent issue of fully paid-up equity shares of Transferee Company to the shareholders of Transferor Company in accordance with the Share Exchange Ratio.

The Scheme of Amalgamation is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 & the Rules framed thereunder including any statutory modifications or re-enactments thereof, if any, and in compliance with the conditions relating to "Amalgamation" as specified u/s 2(1B) of the Income Tax Act, 1961.

As per the Scheme, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, records, approvals, rights, benefits, interest, etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed.

In consideration of the amalgamation of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to the respective equity shareholders of the Transferor Company fully paid-up equity shares, free and clear from all encumbrances together with all rights and benefits attaching thereto as per the

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Share Exchange Ratio. Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

I would like to emphasize that certain terms of the proposed Scheme are stated in this report. However, the detailed terms of the proposed Scheme shall be more fully described and explained in the final Scheme document to be submitted with relevant authorities. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme. In case the terms of the final Scheme submitted to the authorities are materially different from the proposed Scheme, this report shall not be valid.

Sources of Information

For the purpose of this exercise, I have relied upon the following sources of information as provided to me by the Management and/or gathered from the public domain:

1. Detailed business profile and information about current business operations of the Transacting Companies i.e., IAL and PEPL
2. Audited financial statements of IAL for the financial year(s) ended 31st March 2020, 2021 & 2022
3. Audited financial statements of PEPL for the financial year(s) ended 31st March 2020 & 2021
4. Provisional financial statements of PEPL for the financial year ended 31st March 2022 and 4 month period ended 31st July, 2022
5. 5 year projected financial performance of PEPL
6. Capital structure and shareholding pattern of IAL and PEPL as of 30th June 2022
7. Draft Scheme of Amalgamation
8. Relevant data, representation and information provided by the Management and/or its representatives (including Management Representation Letter)
9. Market research report and other publicly accessible databases (including stock price information)

I have been given to understand that all material information impacting the Transacting Companies have been disclosed to me.

Procedure Adopted

In connection with this exercise, I have adopted the following procedure to carry out the valuation:

1. Requested and received financial information
2. Obtained data available in public domain
3. Undertook industry analysis such as researching publicly available market data including economic factors and industry trends that may impact the valuation
4. Conducted industry analysis

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5. Discussed (physical / over call) with the management to understand the business and fundamental factors that could affect its cash flow generating capacity
6. Selected valuation methodology/(ies) as per internationally accepted valuation standards
7. Determined the fair Equity Share Exchange Ratio

For the purpose of arriving at the valuation of the Transacting Companies, I have considered 'Fair Value' as the valuation base and 'Going Concern' as the premise of value. Any change in the valuation base or premise of value could have significant impact on the valuation exercise and therefore on the conclusion of this Report.

Valuation Approach and Methodology

The application of any particular method of valuation depends on the purpose for which the valuation is done. My choice of methodology for valuation has been arrived at using usual and conventional approaches adopted for transactions of similar nature and my reasonable judgement in an independent and bona fide manner based on my experience.

I have considered the following commonly used and internationally accepted approaches for determining the value of the equity shares of the companies:

- Market Approach – Market Price Method, Comparable Companies Method
- Income Approach – Discounted Cash Flow Method, Direct Capitalization Method
- Asset Approach – Net Asset Value Method

1. **Market Approach – Market Price Method**

In case of a listed company, the market price of equity shares as quoted on a recognized stock exchange is normally considered as the fair value of the shares of that company, where such quotations are arising from the shares being regularly and freely traded. This quoted price generally reflects the informed investors' perception about the true worth of the equity shares.

2. **Market Approach – Comparable Companies Method**

The Comparable Companies Method is a multiples approach that seek to value similar companies using the same financial metrics. The idea behind multiples analysis is that when firms are comparable, the multiples approach can be used to determine the value of one firm based on the value of another. Some of the popular ratios used in the multiples approach are price-to-earnings (P/E) ratio, price-to-book (P/B) ratio, enterprise-value-to-EBITDA (EV/EBITDA) ratio and enterprise-value-to-sales (EV/Sales) ratio.

3. **Income Approach – Discounted Cash Flow Method**

In the discounted cash flow method, future cash flows are discounted back to the present date, generating net present value for the projected cash flow stream of the business. A terminal value at the end of the forecast period is also determined and the value is discounted back to the valuation date to give overall value to the company.

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4. **Income Approach - Direct Capitalization Method**
Direct capitalization involves capitalizing a 'normalized' single-year net operating income by an appropriate yield i.e., Capitalization Rate or Cap Rate. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

5. **Asset Approach – Net Asset Value Method**
The asset-based valuation approach is based on 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 a business is to be liquidated i.e., it does not meet the 'going concern' criteria or in case where the asset base dominates earnings capability.

Valuation Methodology of IAL

In the present case, equity shares of IAL regularly and frequently trade with reasonable volumes on NSE and BSE. I have therefore used 'Market Price Method' to value equity shares of IAL. I have considered the pricing formula for preferential issue as prescribed by SEBI in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('SEBI ICDR Regulations') as amended from time to time.

I have also estimated the share price based on 'Comparable Companies Method' using median P/E multiple of 182 listed chemical companies. Since the equity shares of IAL would be issued to the shareholders of unlisted company i.e., PEPL, the minimum price at which the shares are to be issued is prescribed under SEBI ICDR Regulations. The share price estimated under 'Comparable Companies Method' being lower than the share price computed under 'Market Price Method' has been ignored.

I have not considered 'Income Approach' because the quoted price of a freely listed company generally reflects the informed investors' perception about the true worth of the equity shares which has already been considered under 'Market Price Method'. Moreover, the projections of the company were not available.

In a going concern scenario, the earning power is of importance for valuation, with the values arrived at on the net asset basis being of limited relevance. I have therefore not used 'Asset Approach'.

Valuation Methodology of PEPL

Equity shares of PEPL are not listed hence 'Market Price Method' could not be applied.

I have estimated the share price based on 'Comparable Companies Method' using median P/E multiple of 78 listed engineering companies. However, significant portion of revenue of PEPL are

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from rental income and though it has good order book, it started providing EPC services only in the financial year 2021-22. Comparable Companies Method is based on an implicit assumption that the companies being compared are at the same stage of the life cycle and of the similar size, have similar capital structure, enjoy similar margins, will grow at similar rate. Hence, in reality there are few truly comparable, pure play companies, meaning the comparison is always 'apples-to-oranges'. I have therefore not placed much reliance on this method of valuation.

More weightage has been placed on 'Income Approach' as it captures the growth prospects PEPL. The Management has provided projections of PEPL and the same has been considered for valuation based on 'Income Approach – Discounted Cash Flow Method'. The Management is of the view that it will take about 5 years to achieve normalized growth, and thus for this reason projected financials for 5 years have been considered. Projected income consists of rental income earned by PEPL which is substantial, non-operating income. Hence, it has been ignored in the DCF calculation and valued separately using Cap Rate. The cost of equity has been arrived using widely accepted CAPM methodology adjusted for company specific factors.

The Management has represented to me that there are no unusual/ abnormal events in PEPL between the financial year ending date 31st March 2022 and Valuation Date materially impacting operating/ financial performance of PEPL.

In a going concern scenario, the earning power is of importance for valuation, with the values arrived at on the net asset basis being of limited relevance. I have therefore not used 'Asset Approach'.

Recommendation of Share Exchange Ratio

Though different values have been arrived at under different methodologies, for the purpose of recommending equity Share Exchange Ratio, it is necessary to arrive at a single value for equity shares of Transacting Companies. It is however important to note that in doing so I am not attempting to arrive at the absolute equity values of the companies but their relative values to facilitate the determination of fair Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

In view of the above, and on consideration of the relevant factors I recommend the following Share Exchange Ratio:

> **537 (five hundred thirty-seven) equity shares of INR 5 each fully paid up of Indo Amines Limited (IAL) for every 10 (ten) equity share of INR 100 each fully paid up of Pious Engineering Private Limited.**

This conclusion is based on working provided in Annexure – I and is subject to the 'Limitations and Disclaimers' stated in Annexure – II.

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In accordance with my standard practice, the Management has been provided with an opportunity to review the draft Report (excluding the recommended equity Share Exchange Ratio) to ensure that factual inaccuracies/ errors are avoided in the final Report.

I acknowledge that I have no present or contemplated financial interest in the Company. My fee for this valuation is not contingent upon the results or the opinion expressed herein.

ARUN RAJENDRA LAHOTI
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Registration No. IBBI/RV/06/2018/10115

Place: Mumbai
Date: 8th August 2022

Arun Rajendra Lahoti
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Annexure - I

Computation of Fair Share Exchange Ratio

Valuation Approach	IAL		PEPL	
	Value per Share	Weight (%)	Value per Share	Weight (%)
Market Approach				
- Market Price Method	103.88[1]	100%	NA	
- Comparable Companies Method	88.68[2]	0%	4,014.43[3]	10%
Income Approach	NA		5,742.00[4]	90%
Asset Approach	NA		NA	
Fair Value per Share (weighted average)	**103.88**	**(A)**	**5,578.24**	**(B)**
Relative Value per Share	**1**		**53.70**	**(B / A)**
Share Exchange Ratio (rounded off)	**10**		**537**	

NA: Not Applicable/ Not Adopted

Computed Share Exchange Ratio: 537 (five hundred thirty-seven) equity shares of INR 5 each fully paid up of Indo Amines Limited (IAL) for every 10 (ten) equity share of INR 100 each fully paid up of Pious Engineering Private Limited

1. Fair Value of equity shares of IAL as per SEBI ICDR Regulations

Minimum share price prescribed under Regulation 164	Share Price
10 trading days' volume weighted average price of equity shares of IAL quoted on NSE preceding the relevant date (refer note 1)	101.74
70 trading days' volume weighted average price of equity shares of IAL quoted on NSE preceding the relevant date (refer note 1 & 2)	95.04
90 trading days' volume weighted average price of equity shares of IAL quoted on BSE preceding the relevant date (refer note 1)	103.88
Higher of the above considered as minimum price under regulation 164 of SEBI ICDR Regulations	**103.88**

Notes:

1. As per SEBI master circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 on Scheme of Arrangement, in case of issuance of shares to shareholders of unlisted companies pursuant to such schemes, the 'relevant date' for the purpose of computing pricing shall be the date of Board meeting in which the scheme is approved. Since the proposal is considered in the Board meeting on 8th August 2022, 90/70/10 trading days up to the last trading day prior to the meeting i.e., 5th August 2022 have been considered.
2. The shares were listed and started trading on NSE from 29th April 2022.

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2. Implied value of equity shares of IAL based on median industry P/E multiple

Median P/E multiple as per data at the end of 5th August 2022 (refer note 1, 2 & 3)	22.40
Earnings per share of IAL for 12-month period ended 30th June 2022	3.81
Value per share (excluding cash and equivalents)	85.33
Cash per share	3.35
Implied value equity share based on median industry P/E multiple	88.68

Note:

1. Source for data on market capitalization, cash and cash equivalents and net profit after tax is www.screener.in
2. 182 listed companies from chemical industry have been considered for computing P/E multiple.
3. In order to calculate the P/E multiple for every company in the industry, market capitalization has been adjusted with cash and cash equivalents. This adjusted market capitalization is divided by profit after tax to compute P/E multiple for every company.

3. Implied value of equity shares of PEPL based on median industry P/E multiple

Median P/E multiple as per data at the end of 5th August 2022 (refer note 1, 2 & 3)	15.77
Earnings per share of PEPL for 12-month period ended 31st July 2022	256.60
Value per share (excluding cash and equivalents)	4,048.70
Cash per share	55.73
Implied value equity share based on median industry P/E multiple	4,014.43

Note:

1. Source for data on market capitalization, cash and cash equivalents and net profit after tax is www.screener.in
2. 78 listed companies from engineering industry have been considered for computing P/E multiple.
3. In order to calculate the P/E multiple for every company in the industry, market capitalization has been adjusted with cash and cash equivalents. This adjusted market capitalization is divided by profit after tax to compute P/E multiple for every company.

4. Fair Value of equity shares of PEPL based on Discounted Cash Flow Method

The Management has provided projections of PEPL for 5 years. Projected income consists of rental income earned by PEPL which is substantial, non-operating income. This rental income has been ignored in the DCF calculation and valued separately using Cap Rate. The 'Free Cash Flow to Equity' (FCFE) has been used for computation.

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DCF - Free Cash Flow to Equity ("FCFE"):

Figures in INR (lakhs) except no. of shares and per share data

As on 8th August 2022:	
PV of the cash flows during explicit forecast period. *Refer* **Note A1**	468.93
Add: PV of the terminal value. *Refer* **Note A2**	1,251.93
Add: Cash & Cash Equivalents	20.00
Add: Other Non-operating Assets *Refer* **Note A3**	555.79
Less: estimated value of Contingent Liabilities	-
Equity Value	**2,296.65**
Less: DLOM (*10%*)	229.67
Adjusted Equity Value as on 8st August 2022	**2,066.99**

No. of Shares on a fully diluted basis (face value Rs. 100)	36,000
Per share Equity Value as on 8th August 2022 *(rounded-off)*	**5,742.00**

A1 - PV of the cash flows during explicit forecast period

Figures in INR (lakhs)

Particulars	FY23^	FY24	FY25	FY26	FY27
PAT	70.40	131.31	163.87	198.10	238.31
Add: Depreciation and amortization	3.26	7.67	9.25	10.83	10.83
Add/ less: Change in working capital	-11.25	-38.46	-19.65	-22.29	-34.98
Less: CAPEX	-50.00	-50.00	-25.00	-25.00	-
Add: Net Debt	69.63	9.35	23.07	22.39	10.47
FCFE	**82.04**	**59.87**	**151.54**	**184.03**	**224.63**
Mid-year discounting factor *	*0.95*	*0.82*	*0.71*	*0.62*	*0.53*
Discounted FCFE	**78.17**	**49.35**	**108.05**	**113.51**	**119.85**
PV of FCFE	**468.93**				

^ Projections for FY 2023 are for 8 months from 1st August 2022 to 31st March 2023

* Discounting Factor is based on Cost of Equity (Ke). *Refer* **Note A4** for Computation of Ke.

A2 - PV of the Terminal Value

Figures in INR (lakhs)

Cash flow in the terminal year used as base	224.63
Long term perpetual growth rate (based on current inflation trend)	5.5%
Terminal Value	2,346.38
Discounting Factor *	*0.53*
PV of Terminal Value	**1,251.93**

* Discounting Factor is based on Cost of Equity (Ke). *Refer* **Note A4** for Computation of Ke.

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A3 – Valuation of Other Non-operating Asset

PEPL has given its plant to IAL on a long-term lease. As consideration PEPL receives monthly net rental income of INR 4,40,000. As per the understanding, all the maintenance expenses, rates and taxes on the plant are to be borne by IAL. Hence, the rent received can be considered as net operating income (NOI) for the purpose of capitalization. Reference to valuation reports of Real Estate Investment Trusts (REITs) has been made to estimate capitalization rate.

	***Figures in** INR (lakhs)*
Annual gross income (4,40,000 x 12)	52.8
Operating Expenses	-
Vacancy rate	-
Annual Net Operating Income (NOI)	52.8
Capitalization rate	9.5%
Estimated Property Value	**555.79**

A4 - Computation of discount rate – Cost of Equity (Ke):

The Discount Rate considered for arriving at the present value of the cash-flows of the Company is the cost of equity (*Ke*). The modified capital asset pricing model ("modified CAPM") is applied to calculate *Ke*. According to the modified CAPM, cost of equity consists of a risk-free rate, equity risk premium and company specific risk premium. The equity risk premium is calculated by multiplying the market risk premium and the beta factor. The various components of cost of equity calculation are discussed below.

Risk-free rate (*Rf*)	7.30%	The risk-free rate is based on 10-Year Indian Government Bond yield as of 5th August 2022. Source: www.investing.com
Market Risk Premium (*Rp*)	6.95%	The market risk premium has been estimated based on difference between the average market returns and the average risk-free rate during the selected historical period. The 10-year period from 31st July 2012 to 31st July 2022 is considered. Average of annul BSE SENSEX total return is considered for market return. Average of 10-yr Gsec yield is considered for risk-free rate.
Beta (β)	1.05	Average of beta for engineering/ construction and machinery has been taken from database provided by Prof. Aswath Damodaran.
Company Specific Risk Premium (*CSRp*)	1.00%	Due to small size and recent entry into engineering industry, 1% risk premium has been added.
Total - Cost of Equity (*Ke*)	**15.60%**	$Ke = Rf + \beta * Rp + CSRp$

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Annexure – II

Limitations and Disclaimers

1. This report is subject to the scope and limitations detailed herein. 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.

2. This report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. My client is the only authorized user of this report for the limited purpose indicated in the report. This restriction does not preclude the client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. I do not take any responsibility for the unauthorized use of this report.

3. I owe responsibility only to the client who has appointed me under the terms of the engagement letter. I will not be liable for any losses, claims, damages or liabilities arising out of the actions taken or advice given by any other person on the basis of this report.

4. While my work has involved analysis of financial information and accounting records, my engagement does not include audit in any manner whatsoever. Accordingly, I express no audit opinion or any other form of assurance on the financial information.

5. This report assumes that the company complies fully with relevant applicable laws and regulations, and that the companies will be managed in a competent and responsible manner. Further, unless specifically stated to the contrary, this report has given no consideration to matters of legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/ reflected in the balance sheet/ fixed assets register provided to me.

6. The client and its management/ representatives have warranted to me that the information they supplied is complete, accurate, true and correct to the best of their knowledge. I have relied upon the representations of the client, their management and other third parties concerning the financial data, operational data, investment in property, plant and equipment, and any other investments in tangible or intangible assets (both historical and forecast) except as specifically stated to the contrary in this report. I shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the companies, their directors, employees or agents.

7. Though I have reviewed the projections to assess their reasonableness within the context of macroeconomic and industry analysis, I do not provide any assurance on the achievability of the results forecasted by the management/ company and differences between actual and expected results may be material as events and circumstances may not occur as expected. Furthermore, in future the company's resources and capabilities

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Valuer Registration No. IBBI/RV/06/2018/10115

and the management's competence may prove to be inadequate given the evolving nature of external factors like macroeconomic variables, technological changes, industry structure and competitive landscape.

8. The valuation report is tempered by the exercise of judicious discretion by the valuers, taking into account all the relevant factors. There will always be several factors like management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the balance sheet but could strongly influence the value. This concept is also recognized in judicial decisions.

9. It should be understood that the valuation of any company or its assets is inherently imprecise and subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond one's control. In performing my analysis, I have made assumptions with respect to future industry performance and macroeconomic conditions based on current data and my assessment of future prospects, and the actual numbers may turn out to be different from the assumptions impacting the valuation.

10. The valuation of companies and assets is made based on the available facts and circumstances and the conclusions arrived at in many cases is subjective and dependent on the exercise of individual judgement. Although every scientific method has been employed in systematically arriving at the value, there is no indisputable single value and the estimate of the value is normally expressed as falling within a likely range. To comply with the client's request, I have provided a single value for the overall purpose of this report. Whilst, I consider the valuation to be both reasonable and defensible based on the information available, others may place a different value.

11. I have relied on data from external sources to conclude the valuation. These sources are believed to be reliable and therefore, I assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where I have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and/or reproduced in its proper form and context.

12. The actual transaction may be at higher or lower price than my estimate of value depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for example the purchaser's perception of potential synergies). The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of discount or premium for control will also affect the transaction price. Accordingly, my valuation conclusion may not necessarily be the price at which transaction takes place. The final transaction price is something on which the parties themselves have to agree. I also emphasize that my opinion is not the only factor that might

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be considered by the parties in agreeing the transaction price.

13. An analysis of such nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to me as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and I do not assume any obligation to update, revise or reaffirm this Report.

14. 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 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.

15. I am independent of the company and have no current or expected interest in the company or its assets. The fee paid for my services has in no way influenced the results of my analysis.

16. The user to which this report is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this report can only be regarded as relevant as of the valuation date.

17. Neither all nor any part of this report (especially the conclusion of value) should be disseminated to the public (except in cases where the report needs to be provided before any Government Authority) through advertising media, public relations, news media, sales media, mail, direct transmittal, or any other means of communication without my prior written consent or approval. I retain the right to deny permission for the same.

18. I am fully aware that based on the opinion of value expressed in this report, I may be required to give testimony or attend court / judicial proceedings with regard to the subject assets (although it is out of scope of the assignment) if specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking my evidence in the proceedings shall bear the cost/ professional fee of attending court / judicial proceedings and tendering evidence before such authority shall be under the applicable laws.

19. Addressee shall hold harmless the Registered Valuer and his employees free from all actions, claims, proceedings, losses, damages, costs and expenses, whatsoever and however caused, incurred, sustained or arising, which Registered Valuer and his employees may suffer, arising from or in connection with [illegible] of the services.

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INDO AMINES LTD. DOMBIVLI (EAST)

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CIN : L99999MH1992PLC070022

INDO AMINES LIMITED

56.

To,
The Manager, Listing Department
National Stock Exchange of India Ltd.
Plot no. C/1G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai-400051
Symbol: INDOAMIN

To,
The General Manager, Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001
Script Code: 524648

Dear Sir,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of Amalgamation of Pious Engineering Private Limited ("Transferor Company") with Indo Amines Limited ("Transferee Company" or "Company") and their respective Shareholders and Creditors.

This is with regards to the proposed Scheme of Arrangement as approved by the Board of Directors at their meeting held on 8th August, 2022, between Pious Engineering Private Limited ("Transferor Company") and the Company and their respective Shareholders and Creditors, in this connection, with respect to the above application, we hereby confirm that:

a) No material event impacting the valuation has occurred during the intervening period of filing the scheme documents with Stock Exchanges and period under consideration for valuation i.e. since 8th August, 2022.

b) There have not been any past defaults of listed debt obligations of the entities forming part of the scheme.

Thanking you,
Yours faithfully,
For, Indo Amines Limited

Tripti

INDO AMINES LTD. DOMBIVLI (EAST)

Tripti Sharma
Company Secretary