ANNAMREDDY SRAVANTHI
B.COM, ACA
Registered Valuer
(Securities or Financial Assets)

VALUATION REPORT

In relation to the proposed Amalgamation of

SILVERLINE INVESTMENT AND FINANCE PRIVATE LIMITED

(Transferor Company)

WITH

NSPIRA MANAGEMENT SERVICES PRIVATE LIMITED

(Transferee Company)

Prepared by
ANNAMREDDY SRAVANTHI
REGISTERED VALUER
(Securities or Financial Assets)

The information contained herein is of a confidential nature and is intended for the exclusive use of the persons for whom it was prepared.

Add: Plot No: 35, Flat No T3, Kalagara Residency, V V Nagar, Kukatpally, Hyderabad - 500072.

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SECTION I - VALUATION SUMMARY

The Engagement:	I, Mrs. Annamreddy Sravanthi, REGISTERED VALUER (IBBI Reg No: IBBI/RV/05/2019/12377), Hyderabad, have been appointed by M/s. NSPIRA Management Services Private Limited for carrying out the valuation in relation to the proposed amalgamation of M/s. Silverline Investment and Finance Private Limited (Transferor Company), with M/s. NSPIRA Management Services Private Limited (Transferee Company). As per the engagement of valuation, we issued this valuation report, dated 05th March 2024 summarized herein, including the appendices. This Valuation Report is subject to the Statement of assumptions and limiting conditions contained in Appendix A.
Subject of Valuation:	Equity Shares of M/S. Silverline Investment and Finance Private Limited (Transferor company) and Equity Shares of M/s. NSPIRA Management Services Private Limited (Transferee Company).
Purpose of Valuation:	The purpose of this valuation is to determine the value of each equity share of Transferor and Transferee Companies to arrive at the share exchange ratio for the proposed amalgamation of M/s. Silverline Investment and Finance Private Limited (Transferor company) into M/s. NSPIRA Management Services Private Limited (Transferee Company).
Premise of Value:	The Companies are valued on "going-concern" basis.
Basis of Value:	Fair Value

SRAVANTHI A REGISTERED VALUER (Securities or Financial Assets) IBBI/RV/05/2019/12377

Value Conclusion:

The Value per Equity share of **M/s.** NSPIRA Management Services Private Limited (Transferee Company) as on the valuation date is Rs. **147.64/-**

The Value per Equity share of M/s. Silverline Investment and Finance Private Limited (Transferor) as on the valuation date is **Rs. 199.49/- (Negative).** However we have considered fair value considered at face value of Rs. 10/- each

Share exchange ratio: The Share exchange ratio for the proposed amalgamation is depicted as follows:

Share exchange ratio for Equity Shareholders of M/s. Silverline Investment and Finance Private Limited

"7 (Seven) fully paid up equity shares of face value of INR 10/- (Rupees Ten only) each of the Transferee Company shall be issued and allotted for every 100 (Hundred) fully paid up equity share of face value of INR 10/- (Rupees Ten only) each held by shareholders in the Transferor Company".

II - APPOINTMENT FOR DETERMINATION OF VALUE & EXCHANGE RATIO

I, **MRS**. Annamreddy Sravanthi, Registered Valuer, Hyderabad, have been appointed by M/s. NSPIRA Management Services Private Limited (Transferee company) to undertake the valuation to determine fair value of equity shares of M/s. NSPIRA Management Services Private Limited (Transferee Company) and M/s. Silverline Investment and Finance Private Limited (Transferor company) in relation to the proposed amalgamation, as a prelude to business consolidation and also to determine the share exchange ratio for the proposed amalgamation on the basis of valuation of equity shares of the Transferee and Transferor Companies.

The proposed amalgamation is in accordance with the Scheme of Amalgamation presented under sections 230 to 232 and other relevant provisions of the Companies Act, 2013, to the extent applicable. In consideration of the amalgamation, M/s. NSPIRA Management Services Private Limited (Transferee Company) will issue equity shares to the Shareholders of the M/s. Silverline Management and Finance Private Limited (Transferor Company) on the basis of the share exchange ratio determined as per this valuation report.

SCOPE OF ENGAGEMENT

While performing the valuation exercise, an examination and analysis has been carried out in respect of following aspects of the activities, of the companies such as:

- Background of the companies
- Historical performance and financial position based on audited financial statements of the Transferor and Transferee Companies for the year ended 31st March, 2023 and Audited Financials of M/s. Greater Than Educational Technologies Private Limited for the Year ended 31st March 2023
- Provisional Financial Statements of M/s. Silverline Investment and Finance Private Limited, M/s. NSPIRA Management Services Private Limited for the Period ended 30th September 2023

Considering the above, we have carried out the valuation of the companies and suggested a share exchange ratio for the purpose of the proposed amalgamation on the basis of fair value of the equity shares of the Transferor and Transferee Companies.

SRAVANTHI REGISTERED VALUER

Source of Information

For the purpose of the valuation exercise, we have relied upon the following sources of information and/ or documents as provided by the management of the Companies.

- Audited financial statements of the M/s. Silverline Investment and Finance Private Limited (Transferor Company) and M/s. NSPIRA Management Services Private Limited (Transferee Company) for financial year ended 31st March, 2023.
- Unaudited M/s. NSPIRA Management Services Private Limited for the period ended 30th September 2023.
- Audited financial statements of the M/s. Silverline Investment and Finance Private Limited for the period ended 30th September 2023.
- Consolidated Projected Financial Statements of M/s. NSPIRA Management Services Private Limited till FY 2028-29.
- Memorandum and Articles of Association of the Companies.
- Draft Scheme of Amalgamation
- Shareholding pattern of the Companies
- Other relevant details regarding the Companies such as their history, past and present activities, future plans and prospects and other relevant information and data;

III - BACKGROUND OF THE COMPANIES INVOLVED IN THE AMALGAMATION

NSPIRA MANAGEMENT SERVICES PRIVATE LIMITED (TRANSFREE COMPANY)

M/s. NSPIRA Management Services Private Limited was incorporated on 26th June 2013 bearing CIN: U74900AP2013PTC088609 under the Companies Act. The Registered Office of the Transferee Company was originally situated at Flat No 401, Sharadha Edifice, Vittalwadi, Himayath Nagar, Hyderabad – 500029 and on 2nd April 2015 shifted to 10th Floor, Melange Towers, No. 80-84, Patrika Nagar, Hitech City, Madhapur, Hyderabad – 500 081.

Objects

1. To carry on, in India or elsewhere, the business of management of educational institutions, educational consultancy and admissions in India and abroad, providing effective and empowering educational leadership, providing an educational foundation for various streams and courses of education and ensuring effective management systems within educational institutions including pre-school centres, schools, pre-university colleges, junior colleges, professional colleges, colleges and universities for graduate, post graduate and higher educational courses and other formal and informal coaching or learning centres.
2. To carry on, in India or elsewhere, the business of assisting in establishment and running of educational institutions, assisting, providing and maintenance of infrastructure facilities of educational institutions, assisting educational institutions in brand licensing and protection, undertaking and providing awareness, campaigning marketing and promotional activities and services for educational institutions and assisting educational institutions in general administration, organising seminars, lectures, functions and celebrations and conducting tests, examinations and other assessment programs.
3. To carry on, in India or elsewhere, the business of designing, developing, offering, providing and assisting in developing various technology and non-technology based teaching, learning, assessment and governance solutions, specialized training solutions, solutions spanning across all stages of education including schooling, pre-university, graduate, post-graduate, other higher education courses and vocational training courses and various other kinds of education solutions to individuals, students, educational institutions, corporates, government bodies and other persons, entities or organisations.

4. To undertake and carry on, in India or elsewhere, the activities of fostering research, development and innovation in the administration and management of educational institutions and specified streams and courses of education, promoting educational activities and the advancement, growth and betterment of educational institutions, developing centres for vocational training, student information systems, campus management, professional development, e-content creation and management, education portals, teachers training and capacity building and marketing, distributing, exchanging, supplying, selling and promoting information, study material, guidelines, educational aids or kits and model curricula for various streams and courses of education.

Capital Structure as on 30th September 2023

Particulars	Rs in Million
Authorised Capital	
53,69,99,990 Equity shares of Rs. 10/- each	5369.90
10 Series B equity shares of Rs. 10/- each	0.00
4,52,000 Compulsory Convertible Preference Shares of Rs. 2,500/- each	1130.00
Issued, Subscribed and Paid-Up Capital	
35,01,20,010 Equity shares of Rs. 10/- each	3501.2
01 Series B Equity shares of Rs. 10/- each	0.00
450710 Compulsory Convertible Preference Shares of Rs. 2,500/- each	995.21

SRAVANTHI A REGISTERED VALUER Securities or Financial Assets IBBI/RV/05/2019/12377

Shareholding Pattern

SL NO	Name Of The Shareholder	Number of shares held	% of Stake Holding
01	Puneet Kothapa	8,75,12,500	25.00%
02	Sindhura Ponguru	14,87,71,250	42.49%
03	Sharani Ponguru	11,37,66,250	32.49%
04	Banyantree Growth Capital II, LLC	35,005	00.01%
05	NHPEA Minerva Holding BV	35,005	00.01%
	Total	35,01,20,010	100.00%

Details of shareholding – Series B equity shares-with differential rights as to dividend and voting:

SL NO	Name Of The Shareholder	Number of shares held	% of Stake Holding
01	NHPEA Minerva Holding BV	1	100%
	Total	1	100.00%

Details of shareholding – Compulsorily Convertible Preference Shares (CCPS)

SL NO	Name Of The Shareholder	Number of CCPS held	% of Stake Holding
1	NHPEA Minerva Holding BV	449760	99.79%
2	Green Ivy Ventures Private Limited	400	0.09%
3	K Sambashiva Sastry	200	0.04%
4	Sandeep Chaluvadhi	30	0.01%
5	Atul Rajendra Thakkar (HUF)	100	0.02%
6	Krishna Tumati	100	0.02%
7	Subramanyam Dammalapati	50	0.01%
8	Nageswara Rao Chaluvadhi	70	0.02%
	Total	450710	100.00%

M/s. NSPIRA Management Services Private Limited was holding 99% Equity Investments in M/s. Greater Than Educational Technologies Private Limited

SILVERLINE INVESTMENT AND FINANCE PRIVATE LIMITED (TRANSFEROR COMPANY)

M/s. Silverline Investment and Finance Private Limited was incorporated on 22nd March 2023 and its Registered office is located at bearing CIN: U64990TS2023PTC171308 under the Companies Act. The Registered Office of the Transferor Company is situated at F. No.2600, Belmont Block, Lodha Bellezza Apts, IV-Phase, KPHB, Kukatpally, Hyderabad - 500072, Telangana.

Objects

1) To carry on and undertake the business of financing including activities such as investment and acquisition, purchase, hold, sell or otherwise deal in securities, pass through certificates, shares, stocks, securitized assets, equity linked securities, debentures, debenture stocks, bonds, share warrants, commercial papers, bill discounting, acknowledgements, deposits notes, obligations, futures, calls, derivatives, currencies, commodities, bonds, government securities and any other permissible securities and to secure repayment or the performance of any obligation and to enter into guarantees, contracts of indemnity and suretyship of all kinds and take mortgage, pledge, charge, security of leasehold and freehold land, shares, securities, stocks, merchants and other property and assets upon such terms and subject to such conditions as may seem expedient.
2) To carry on the business of consultants in various fields including, but not limited to finance, management, insurance, legal, industrial, business management, cost accounting, taxation, investments, wealth management, recruitment personnel management, inventory control, import, export and other technical or nontechnical consultants, consultancy in the business of management of educational institution, educational consultancy, consultancy in providing effective and empowering educational leadership, brand licensing and protection, consultancy in developing various technology and non-technology based teaching, learning, assessment and governance solutions in accordance with applicable law and to undertake part in the management supervision or control of the operation or business of any person, firm, body corporate, association or other undertaking and, if necessary, for such purpose to appoint and remunerate any offices of the company, accountants or other experts or agents to do all incidental and allied activities necessary for the attainment of this object, in India and elsewhere.

Capital Structure

Particulars	Amount in Rs
Authorised Capital	
100,000 equity shares of Rs.10 each	10,00,000
Issued, Subscribed and Paid-Up Capital	
50,000 equity shares of Rs.10 each	5,00,000

Shareholding Pattern

Name of the Shareholder	No of Equity shares held	% of shareholding
Ramadevi Ponguru	49,500	99.00%
Devashish Singh	500	1.00%
Total	**50,000**	**100.00%**

As of our valuation report date the Transferor Company has 1,25,000 A+ rated, listed, secured, redeemable, Non-Convertible Debentures of Rs. 1,00,000/- each with coupon rate of 12.95% per annum (NCD's). These NCD's are listed on BSE Limited.

SRAVANTHI A. REGISTERED VALUER IBBI/IPA-002/2019/12377

IV - INTEGRATION VIA AMALGAMATION

OBJECTS & RATIONALE OF THE SCHEME OF AMALGAMATION

It is proposed to merge **SILVERLINE INVESTMENT AND FINANCE PRIVATE LIMITED** (hereinafter referred to as "Transferor Company") with **NSPIRA MANAGEMENT SERVICES PRIVATE LIMITED** (hereinafter referred to as "Transferee Company") pursuant to sections 230 to 232 of the Companies Act, 2013 and other applicable provisions and rules as amended thereon (hereinafter referred to as "Companies Act").

The Transferor and Transferee Company including all the stakeholders envisage the following objectives that can be achieved by the proposed arrangement:

a) The Merger will enable the Transferee Company to make full use and benefit from the financial consultancy services being offered by the Transferor Company by providing financial assistance to the students of the educational institutions, to whom the Transferee Company provides management services, including financial assistance with respect to payment of fees by the students for availing education from such educational institutions.

b) The Merger will enable the Transferee Company and the Transferor Company to pool their resources to their common advantage, which in turn will result in a more productive utilization of their resources and help achieve economic advantage, and efficient operation of their businesses, to the benefit of all the stakeholders.

c) The Merger will enable the Transferee Company and the Transferor Company to efficiently manage the cash flow and revenue from the amalgamated businesses, and effectively deploy such revenue for growth opportunities and reduce the cost of operating two businesses independently.

d) The Merger will eliminate duplication of regulatory and procedural compliances and administrative expenses and will enable better utilization of time and recourses.

e) The Merger will enhance the net worth of the amalgamated business and will enable the amalgamated business to capitalize on future growth opportunities and potential.

SRAVANTHI A. REGISTERED VALUER IBBI/RV/05/2019/12377

Date of Valuation and Exchange Ratio

The proposal of amalgamation of business of M/s. Silverline Investment and Finance Private Limited (Transferor Company) with the business of M/s. NSPIRA Management Services Private Limited (Transferee Company) has been considered with effect from 1st November, 2023 (Hereinafter referred as "Appointed date").

In the process of Amalgamation, it is necessary to determine the value of share of M/s. Silverline Investment and Finance Private Limited (Transferor Company) & M/s. NSPIRA Management Services Private Limited (Transferee Company) to ascertain the share exchange ratio.

For determining the share exchange ratio, we have relied upon the Operating results, financial position and other information of the companies for the period ended 30th September, 2023.

To arrive at the fair value of equity shares of companies and to determine the share exchange ratio of the Equity Shares we have relied upon the facts and figures and other information of the companies' up to the date i.e., 30th September, 2023

SRAVANTHI A REGISTERED VALUER (Securities or Financial Assets) IBBI/RV/05/2019/12377

V- BASIS OF VALUE & PREMISE OF VALUE

BASIS OF VALUE

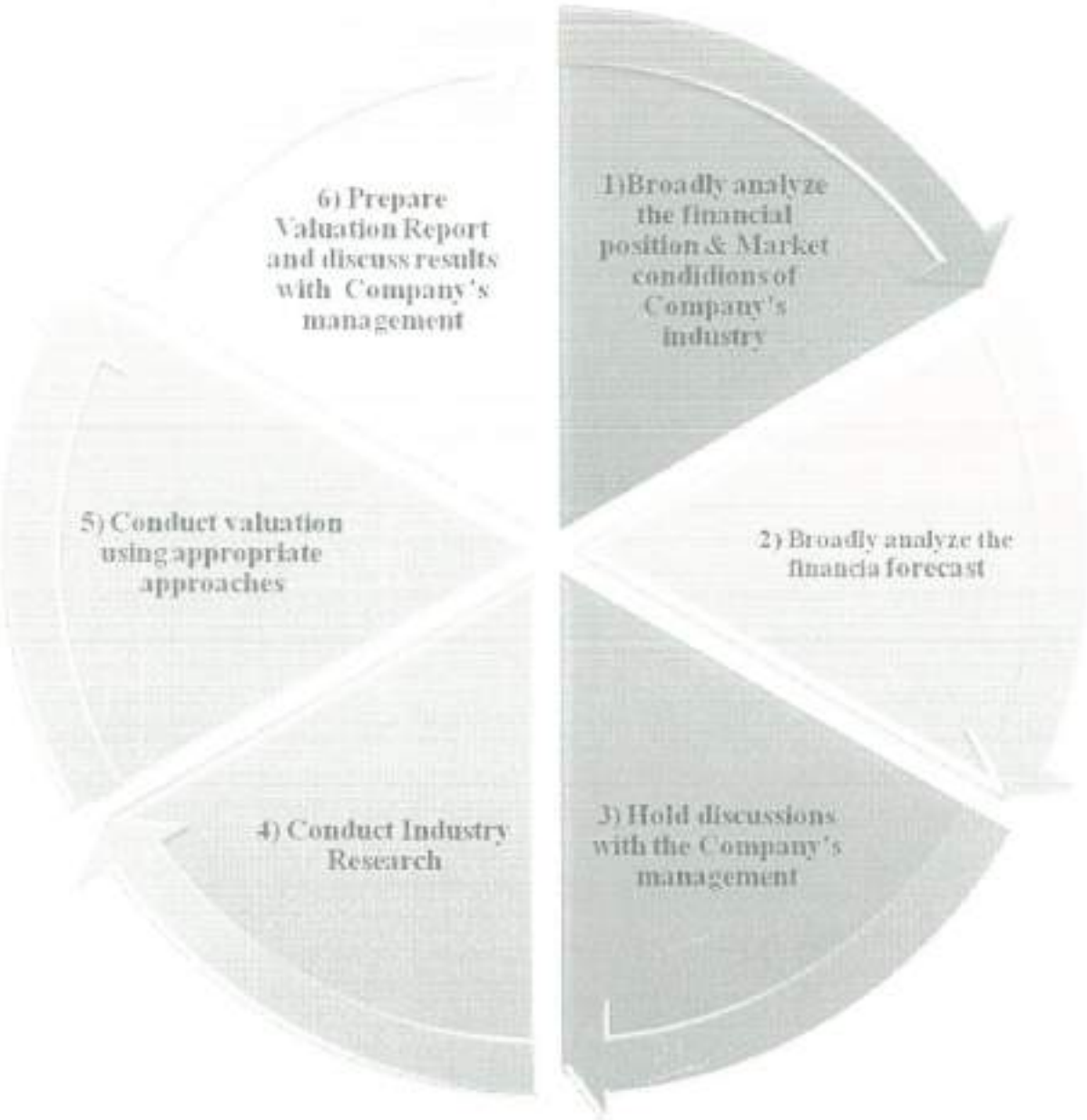
The basis of value used for determination of value is the Fair Value. The Fair Value is defined as "the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts."

PREMISE OF VALUE

There are two main premises of value in a business valuation, Going-concern value and Liquidation value. The *International Glossary* defines premise of value as "an assumption regarding the most likely set of transactional circumstances that may be applicable to the subject valuation, e.g., going concern, liquidation. This premise is based on facts and circumstances existing on the valuation date. Going-concern value defined by the International Glossary as "the value of a business enterprise that is expected to continue to operate into the future". Hence, we have considered going concern premise and according to which the business enterprise will continue to carry its operations in future and it has no intention to stop its activities in the near future.

SRAVANTHI A. REGISTERED VALUER (Securities or Financial Assets) IBBI/RV/05/2019/12377

VI - VALUATION APPROACH



SRAVANTHI A
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IBBI/RV/05/2019/12377

There are several commonly used and accepted methods for determining the value of the Business of a Company, which one can apply in the present valuation exercise, to the extent relevant and applicable, Such as:

Cost Approach

- Replacement Cost Method.
- Reproduction Cost Method.

Market Approach

- Comparable Companies Multiples Method (CCM)
- Comparable Transactions Multiples Method (CTM)

Income Approach

- Discounted Cash Flow Method (DCF)

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IBBI/RV/05/2019/12377

VII - VALUATION METHODOLOGY ADOPTED

VALUATION METHOD ADOPTED FOR M/S. SILVERLINE INVESTMENT AND FINANCE PRIVATE LIMITED (TRANSFEROR COMPANY)

M/s. Silverline Investment and Finance Private Limited was recently incorporated and has not commenced any operations.

Hence, we have adopted Net Asset Replacement Cost Method under Cost Approach for ascertaining the Value per equity share of M/s. Silverline Investment and Finance Private Limited.

VALUATION METHOD ADOPTED FOR M/S. NSPIRA MANAGEMENT SERVICES PRIVATE LIMITED (TRANSFEREE COMPANY)

M/s. NSPIRA Management Services Private Limited was engaged in the activities of Planning and management of educational institutions in India. M/s. NSPIRA Management Services Private Limited was holding 99% Equity Investments in M/s. Greater Than Educational Technologies Private Limited

We have adopted Discounted Cash Flow Method for ascertaining the Value per equity share of M/s. NSPIRA Management Services Private Limited.

SRAVANTHI A. REGISTERED VALUER Securities or Financial Assets IBBI/RV/05/2019/12377

VALUATION OF NSPIRA MANAGEMENT SERVICES PRIVATE LIMITED

The valuation exercise is normally performed on the basis of the widely accepted valuation methods, taking into account information available, market data, market place acceptance and growth in market are considered to be the good indicators of the Company's likely future operating earnings.

INCOME APPROACH - DISCOUNTED CASH FLOW METHOD (DCF)

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.

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***.

The income approach *should* be applied and afforded *significant weight* under the following circumstances:

(a) The income-producing ability of the *asset* is the critical element affecting value from a *participant* perspective, and/or

(b) ***Reasonable projections of the amount and timing of future income are available for the subject asset***, but there are few, if any, relevant market comparables.

The management has provided us the projected financial statements for future years. We have considered to adopt Discounted Cash Flow (DCF) Method under Income Approach for ascertaining the indicative value of the business.

SRAVANTHI A. REGISTERED VALUER (Securities or Financial Assets) IBBI/RV/05/2019/12377

On the basis of aforementioned factors, we have considered to value Shares as per **DISCOUNTED CASH FLOWS METHOD**

- Obtained the back ground information about the company.
- Audited Financial statements of M/s. NSPIRA Management Services Private Limited Private Limited for the Year ended 31st March, 2023.
- Provisional Financial Statements of M/s. NSPIRA Management Services Private Limited Private Limited for the Period ended 30th September, 2023
- Consolidated Projections provided by the Management of M/s. NSPIRA Management Services Private Limited Private Limited for the period starting from FY 2023-24 to FY 2028-29.
- We have reviewed the documents Information, explanation and documents provided by the Management personnel and executives
- Performed an analysis on projected financial statement for understanding the nature of business and its earning capacity
- Estimated future free cash flows on the basis of projected financial statements
- We have made reference to and relied upon the information from Investing.com, BSE India, and Damodaran.com.

DISCOUNTED CASH FLOW METHOD:

The DCF method expresses the present value of the business as a function of its future cash earnings capacity. This methodology works on the premise that the value of a business is measured in terms of future cash flow streams, discounted to the present time at an appropriate discount rate. The valuation under the DCF method depends upon the projections of the future cash flows and the selection of the appropriate discount factor. The DCF methodology is considered to be the most appropriate basis for determining the future earning capability of a business.

Calculation of value under the DCF method involves estimation of future cash flows from the total projects undertaken by the company till their completion and discounting those cash flows using appropriate discounting factor.

Value of the Business

$$\sum_{t=1}^{t=n} \frac{\text{Expected cash flow}}{(1+r)^t} + \frac{\text{Terminal value}}{(1+r)^n}$$

ESTIMATION OF FREE CASH FLOWS

As indicated above, the future economic benefit, on which financial analysts and business valuer's most frequently focus, is "Net free cash flow", which is defined as follows:

	Net income	XXXX
Add:	Non-cash charges	XXXX
Less:	Non – operating Income	XXXX
Less:	Expenditure incurred on / for capital projects / capital purposes	XXXX
Add/Less:	Changes in working capital	XXXX
Add/Less:	Changes in the balance of Long-term debt	XXXX
	Net cash inflow / (outflow) available	XXXX

In the light of the above, we developed an indication of the value based on a forecast of the entities net cash flows. This forecast is made to reflect the probable net cash flows for the next five years.

ESTIMATION OF CONTINUATION VALUE

Under the going concern premise the cash flows are expected to be derived by the business company beyond explicit period and will grow at constant rate forever. Based on the this premise the terminal (continuation) value of the business can be estimated as

$$TV = \frac{FCFt + 1}{(Ke-g)}$$

ESTIMATION OF DISCOUNTING RATE (KE)

The cost of equity (Ke) i.e. the rate at which the future free cash flows are to be discounted is determined using the CAPM model i.e. Capital Asset Pricing Model. The formula for calculating cost of equity under this model is:

$Ke = K_{rf} + \beta (K_m - K_{rf}) + a$

Where

- K_e = expected rate of return on equity
- K_{rf} = risk free rate on bonds
- K_m = expected rate of return on the market
- $K_m - K_{rf}$ = equity risk premium
- β = coefficient of firms' systematic risk
- a = additional risk premium

The discount rate and the cost of equity (Ke) for M/s. NSPIRA Management Services Private Limited as per CAPM Model is estimated as follows

Risk free rate (K_{rf}) = **7.21%** (10years Bond yield - Source: www.Investing.com),

Equity Risk Premium (ER(P)) 9.45%

Industry (Education) Beta (2020) of **0.79** taken from www.damodaran.com

Additional Risk Premium = 2%

Therefore Cost of Equity of M/s. NSPIRA Management Services Private Limited **as per CAPM Model is**

(7.21% + (9.45%) *0.79 + 2%) = 16.67%

***GROWTH RATE (G) FOR TERMINAL PERIOD FOR* M/s.** NSPIRA Management Services Private Limited **(Transferee Company)**

While estimating the terminal value, the estimated growth rate of the business shall be reduced from the cost of equity (Ke). This is required because of the fact that the future growth will offset the risk involved the cash flows. Based on the industry analysis, we have considered a moderate growth rate of **6%** for terminal period.

SRAVANTHI A REGISTERED VALUER (Securities or Financial Assets) IBBI/RV/05/2019/12377

IX - VALUATION OF EQUITY SHARES

VALUE PER EQUITY SHARE OF SILVERLINE INVESTMENT AND FINANCE PRIVATE LIMITED (TRANSFEROR COMPANY)

The fair value per equity share of M/s. Silverline Investment and Finance Private Limited (Transferor Company) as per Net Asset Replacement Cost Method under Cost Approach is Rs. -**199.49/- (Negative)** for which detailed calculation is enclosed as Annexure-I to this report. However we have considered the face value of Rs. 10/- each for determining the share exchange ratio

NSPIRA MANAGEMENT SERVICES PRIVATE LIMITED (TRANSFEREE COMPANY)

The fair value per equity share of M/s. NSPIRA Management Services Private Limited (Transferee Company) as per Discounted Cash Flow Method under Income Approach is Rs. **147.64-** for which detailed calculation is enclosed as Annexure-II to this report.

SRAVANTHI A * REGISTERED VALUER (Securities or Financial Assets) * IBBI/RV/05/2019/12377

X - SHARE EXCHANGE RATIO FOR EQUITY SHAREHOLDERS

The Share exchange ratio for the Proposed Amalgamation is depicted as follows:

Name of the Company	Fair Value per Equity share
Fair Value per Equity Share of M/s. Silverline Investment and Finance Private Limited (Transferor Company)	10
Fair Value per Equity Share of M/s. NSPIRA Management Services Private Limited (Transferee Company)	147.64
Share Exchange Ratio	0.07

In view of the above, for the purpose of discharging the consideration for the proposed amalgamation the share exchange ratio is 0.07 is considered equitable and appropriate. Accordingly M/s. NSPIRA Management Services Private Limited (Transferee Company) Shall issue 7 shares for every 100 shares to the shareholder of M/s. Silverline Investment and Finance Private Limited (Transferor Company)

SRAVANTHI A* REGISTERED VALUER (Securities or Financial Assets) IBBI/RV/05/2019/12377*

A. Sravanthi

Place: Hyderabad

Date: 05-03-2024

UDIN: 24239567BKDHBE5602

ANNAMREDDY SRAVANTHI

REGISTERED VALUER

IBBI/RV/05/2019/12377

APPENDIX - A

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

The primary assumptions and limiting conditions pertaining to the value estimate conclusion(s) stated in the detailed Valuation report are summarized below. Other assumptions are cited elsewhere in the report.

1) The conclusion of value arrived at herein is valid only for the stated purpose as of the date of the valuation.

2) The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). I do not accept liability for losses arising from such subsequent changes in value. All opinions and estimates in this publication or report are, regardless of source, given in good faith, and may only be valid as of the stated date of this publication or report and are **subject to change without notice.**

3) We have performed a valuation engagement and present our detailed report in conformity with the **"Indian Valuation Standards"** issued by the **Institute of Chartered Accountants of India (ICAI)**. VS sets out that the objective of a valuation engagement is "to express an unambiguous opinion as to the of a business, business ownership interest, security or intangible asset which opinion is supported by all procedures that the appraiser deems to be relevant to the valuation." Also according to the Standard in a valuation engagement the valuer can apply valuation approaches or methods deemed in the analyst's professional judgment to be appropriate under the circumstances. In a valuation engagement the conclusion is expressed as either a single amount or a range.

4) By reason of the operation of privacy laws, the valuer's enquiries in respect of recent transactions have been constrained. Accordingly, the valuer may not have had access to information on recent transactions which has not yet been published in information sources available to the valuer. If other transactions have taken place, knowledge of those transactions may affect the opinions expressed by the valuer. **To the best of my knowledge and belief the statements and opinions in this report are correct and the information provided by others is accurate. However, no responsibility is assumed for its accuracy, which should be checked by appropriate report, search or formal enquiry if required.**

SRAVANTHI REGISTERED VALUER Securities or Financial Assets IBBI/05/2019/12377

5) It should be noted that **I am not an engineer, a plant and equipment, building construction or structural expert and I am therefore unable to certify as to the (structural) soundness of the improvements.** I am not qualified to comment on the structural integrity, defect, rot or infestation of the improvements. Our scope of work does not include an appraisal or t valuation of land, **plant and equipment, building construction and any other immovable or movable property individually.**

6) We have provided our recommendation of the Valuation based on the information available to us and within the scope of our engagement, others may have a different opinion. **The final responsibility for value/price at which the Proposed Transaction shall take place will be with the Board of Directors of the Company, who should take into account other factors such as their own assessment of the proposed Transaction and input of other advisors.**

7) We are not advisors with respect to accounting, legal, tax and regulatory matters for the proposed transaction. This Report does not look into the business/commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

8) This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our client is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. 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.

9) I owe responsibility to only to the authority/client that has appointed me/us under the terms of the engagement letters. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents.

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10) I do not provide assurance on the achievability of the results forecast by the management/owners as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management.

11) The user to which this valuation 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 valuation report can only be regarded as relevant as at the valuation date

12) The valuation of company and assets is made based on the available facts and circumstances and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. 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, I have provided a single value for the Fair Value of the Equity of [company]. Whilst, I consider the valuation to be both reasonable and defensible based on the information available, others may place a different value.

13) The actual market price achieved may be higher or lower than our estimate of value (or range 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 a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which actual transaction will take place.

14) The client/owner and its management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the owners/clients, their management and other third parties concerning the financial data, operational data and maintenance schedule of all plant-machinery-equipment-tools-vehicles, real estate investments and any other investments in tangible assets except as specifically stated to the contrary in the report. I shall not be liable for any loss , damages, cost or expenses arising from fraudulent acts, misrepresentations , or wilful default on part of the companies , their directors , employee or agents.

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15) I have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we 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 we 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.

16) The report assumes that the company complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies/business/assets will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a 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 provided to us.

17) The valuation report is tempered by the exercise of judicious discretion by the RV, taking into account the relevant factors. There will always be several factors, e.g. 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

18) I was 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, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and my / our tendering evidence before such authority shall be under the applicable laws.

19) While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and on behalf of you and the client. Our report is subject to the scope and 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.

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20) 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 us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

21) In the course of the valuation, we were provided with both written and verbal information. We 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. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company.

22) We are independent of the client/company and have no current or expected interest in the Company or its assets. The fee paid for our services in no way influenced the results of our analysis.

23) Our report is meant for the purpose mentioned above and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

24) This publication or report has been prepared as general information for private use of client to whom the publication or report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor bears the risk of losses in connection with an investment. Before acting on any information in this publication or report, it is recommendable to consult one's financial advisor. The information contained in this publication or report does not constitute advice on the tax consequences of making any particular investment decision..

25) I have not conducted any examination in respect of technical feasibility intellectual products owned by the entity.

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26) The risk of investing in certain financial instruments is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized.

27) The valuer may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the publication or report. To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of the valuer are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of the Group Companies and personal account dealing

28) Our report will not be used for financing or invitation for investing or other public documents and may not be relied upon by any third parties.

29) **The valuer does not accept any responsibility or liability for information provided by third parties.** Official confirmation of portfolio holdings with these parties and issues arising from information they have provided must be addressed directly with them.

30) I have no financial interest or contemplated financial interest in the companies that are the subject of this report

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A-Sravanthi

Place: Hyderabad

Date: 05-03-2024

ANNAMREDDY SRAVANTHI
REGISTERED VALUER
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ANNEXURE - I

M/s. Silverline Investment and Finance Private Limited (Transferor Company)

SILVERLINE INVESTMENT AND FINANCE PRIVATE LIMITED VALUATION AS PER NET ASSET REPLACEMENT COST METHOD		
Particulars	**Details**	**Amount(Rs in 000's)30-09-2023**
Non Current Assets		
Fixed Assets		
Tangible Assets		
Intangible Assets		
Long term loans and advances		
Preliminary Expenses		
Total (A)		-
Current Assets		
Deposits		
Loans & Advances		
Trade Receivables		
Cash & Cash Equivalents	2,758.92	
Other Current Assets	1,864.80	
Total (B)		4,623.72
Total Assets C = (A+B)		4,623.72
Less: Current Liabilities		
Short Term borrowings	-	
Trade Payables		
Other Current Liabilities	8,098.30	
Short Term Provisions		
Total (D)		8,098.30
Less: Non-Current Liabilities		
Long-Term Borrowings	6,500.00	
Other Non-Current Liabilities		
Total (E)		6,500.00
Total Liabilities (F=D+E)		14,598.30
Net Assets (G=C-F)		(9,974.58)
Net Assets Attributable to equity shareholders(G)		(9,974.58)
No. of Equity Shares		50,000.00
NAV Per Share		(199.49)

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Fair Value of M/s. NSPIRA Management Services Private Limited

NSPIRA MANAGEMENT SERVICES PRIVATE LIMITED	
Ascertainment of Value Per Share	
Particulars	**(Rs in Million)**
NPV of Explicit Period	16,898.91
Present Value of Perpetuity	45,834.90
Total	62,733.81
Add: Surplus cash/ cash equivalent	92.72
Add: Mutual Funds	3,991.98
Less: Liabilities	(1,629)
Less: Non current Provisions	(173.57)
Value of Equity	**65,015.80**
No of Shares	**44,03,76,725.00**
Value per Equity Share	**147.64**

Yearly Cash Flows						
Year	01-10-2023 to 31-03-2024	31-03-2025	31-03-2026	31-03-2027	31-03-2028	31-03-2029
Free Cash Flows	1,351.24	3,452.97	4,025.22	6,295.84	5,480.75	7,290.06
Discount rate	16.67%	16.67%	16.67%	16.67%	16.67%	16.67%
Discounting factor	0.96	0.82	0.71	0.61	0.52	0.45
Discounted Cash Flows	1,300.14	2,847.51	2,845.05	3,816.39	2,845.68	3,244.14

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Perpetuity Value	
Particulars	**Amount(Rs in Million)**
Cash profits of 2028-29	12,061.12
Growth Rate	6%
Cash profits for perpetuity	12,784.78
Reinvestment	1,789.87
Net Cash Flow for Perpetuity	**10,994.91**
Capitalized Value for Perpetuity	**1,02,997.79**
Total Capitalized Value	**1,02,997.79**
Discounting Factor	0.45
Present Value of Perpetuity	**45,834.90**

		Conversion Ratio	Diluted No of Shares
No of Equity Shares	35,01,20,010		35,01,20,010
Series B	1.00		1
CCD	553.00	17,836.94	98,63,829.30
CCPS	4,50,710	178.37	8,03,92,884.33
Total no of shares diluted			44,03,76,725

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