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# REPORT TO RECOMMEND FAIR SHARE ENTITLEMENT RATIO UPON DEMERGER OF POWER EVACUATION BUSINESS OF INOX GREEN ENERGY SERVICES LIMITED INTO RESCO GLOBAL WIND SERVICES LIMITED

**November 13, 2024**

**Prepared by:**
**Finvox Analytics**
**IBBI Registered Valuer Entity**
**(Securities & Financial Assets)**

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November 13, 2024

The Board of Directors
Inox Green Energy Services Limited
Inox Towers, Plot No.17 Sector 16A, Noida,
Uttar Pradesh, India, 201301

The Board of Directors
Resco Global Wind Services Limited
301, ABS Tower Old Padra Road, Vadodara,
Gujarat, India, 390007

Dear Sir/Ma'am,

In accordance with the terms of our engagement letter dated August 8, 2024, we have prepared a report to recommend the fair share entitlement ratio (the "Share Entitlement Ratio") pursuant to the proposed scheme of arrangement (the "Scheme of Arrangement") of the companies and their respective shareholders as per the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013, as explained below.

Resco Global Wind Services Limited ("Resco" or the "Resulting Company") is primarily engaged in the business of providing erection, procurement and commissioning ("EPC") services, common infrastructure facilities on the wind farms which support the evacuation of power and development of wind farm services for wind turbine generators ("WTGs").

Inox Green Energy Services Limited ("Inox Green" or the "Demerged Company") is primarily engaged in the business of providing operations and maintenance ("O&M") services of WTGs, and common infrastructure facilities on the wind farms which support the evacuation of power (the "Power Evacuation Business" or "Demerged Undertaking").

Pursuant to the proposed Scheme of Arrangement and subject to necessary approvals, the Power Evacuation Business of Inox Green is proposed to be demerged into Resco with effect from October 1, 2024 ("Appointed Date").

For the purpose of this report, Inox Green and Resco are collectively referred to as the "Companies" as of the valuation date.

The consideration for the proposed Scheme of Arrangement will be discharged by the issue of equity shares and warrants (if any) of the Resulting Company to the shareholders and warrant holders (if any) of the Demerged Company respectively. In this regard, we have been appointed by the Companies to carry out the relative valuation of the Demerged Undertaking and the equity shares of the Resulting Company, and to recommend the fair Share Entitlement Ratio for the proposed the Scheme of Arrangement. The report is being furnished by Finvox Analytics ("Finvox" or "We" or "Us") in the capacity of Registered Valuer under section 247 of the Companies Act, 2013 which would suffice the requirements of Securities Exchange Board of India and the Companies Act, 2013.

For the purpose of calculating the Share Entitlement Ratio, the valuation date should be near to the board meeting date in which the Scheme of Arrangement is expected to be considered. Accordingly, the report date is the relevant valuation date for calculating the Share Entitlement Ratio ("Valuation Date"). As represented by the management of the Companies (the "Management"), the board meeting to evaluate the Scheme of Amalgamation is expected to be in November 2024. Additionally, it has been represented by the Management that there have been no material changes in the financial position, list of assets or liabilities, and business activities of the Resulting Company and the Demerged Undertaking from September 30, 2024 through the date of issuance of this report/the Valuation Date. As a result, the balance sheets and list of assets/liabilities as of September 30, 2024 have been accepted as reasonable proxies for the financial position and list of assets/liabilities as of the Valuation Date. Accordingly, to determine the fair Share Entitlement Ratio, we have computed the relative value of equity shares of the Resulting Company and the Demerged Undertaking as of the Valuation Date based on the financial statements and list of assets/liabilities as of September 30, 2024 provided by the Management. Any material changes in the values of the operations between September 30, 2024 and the report date due to change in the industry or economic factors have been factored in the relative values the Resulting Company and the Demerged Undertaking to arrive at the Share Entitlement Ratio as of the Valuation Date.

For the purpose of this valuation, we have carried out relative valuations of the Demerged Undertaking and the Resulting Company and the valuation is based on 'going concern' premise.

Our analysis and report are in conformity with the "ICAI Valuation Standards" (IVS) issued by the Institute of Chartered Accountants of India. In addition to the general standards/ guidelines of the IVS, our report specifically complies with ICAI Valuation Standard 102 - Valuation Bases, ICAI Valuation Standard 103 – Valuation Approaches and Methods, ICAI Valuation Standard 201 - Scope of Work, Analyses and Evaluation, ICAI Valuation Standard 202 - Reporting and Documentation and ICAI Valuation Standard 30 - Business Valuation.

The report sets out our recommendation of the fair Share Entitlement Ratio and discusses the methodologies and approach considered in the computation of the relative values the Demerged Undertaking and the Resulting Company.

This report must be considered in the above-mentioned context only and is not an advisory document for any other purpose. The report may not be distributed, reproduced, or used, without our express written consent for any purpose other than mentioned above.

In rendering the aforementioned valuation services, we reviewed and relied upon various materials/ information provided by the Management and its advisors. Our report is based on the historical and projected financial information provided to us by the Management. Because of the limited purpose of this report, the financial information presented in this report may be incomplete and contain departures from generally accepted accounting principles. We have not audited, reviewed, or compiled the financial information provided by the Management and express no assurance on it.

During the course of this engagement, we have provided draft copies of this valuation report to the Management for comment on the factual accuracy of the contents of our report. The Management has confirmed that they have reviewed report in detail and have also confirmed to us the factual accuracy of contents in the report. It may kindly be noted that the current report being issued and signed by us represents the final assessment and supersedes all draft versions that may have been shared by us in the past

**Based on our study and analytical review procedures, and subject to the limitations expressed within this report, the recommended fair Share Entitlement Ratio for the demerger of the Power Evacuation Business of Inox Green Energy Services Limited into Resco Global Wind Services Limited, is:**

- ***"122 equity shares of Resco of face value of INR 10 each fully paid up to be issued for every 1,000 equity shares of Inox Green of face value of INR 10 each fully paid up"***

- ***"122 convertible warrants of Resco having issue price of INR 205 (rounded) each to be issued for every 1,000 convertible warrants of Inox Green having issue price of INR 145 each"***

- ***"1,000 convertible warrants of Inox Green having issue price of INR 120 each to be issued and substituted for every 1,000 convertible warrants of Inox Green having issue price of INR 145 each"***

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We have no present or contemplated financial interest in Inox Green, Resco and their subsidiaries and/or associate companies. Our fees for this valuation are based upon our normal billing rates and are in no way contingent upon the results of our findings. We have no responsibility to update this report for events and circumstances occurring subsequent to the date of this report. This report is not to be copied or made available to any persons without the express written consent of Finvox Analytics.

**For Finvox Analytics**
*Registered Valuer Entity (Securities & Financial Assets)*
Registration Number: IBBI/RV-E/06/2020/120

AMRISH GARG

Digitally signed by AMRISH GARG
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CA. Amrish Garg
Partner
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ICAI Membership No: 511520
UDIN: 24511520BKDIVW8510

**Date:** November 13, 2024
**Place:** New Delhi

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# I. INTRODUCTION

## A. Purpose of Valuation

The purpose of this report is to arrive at the proposed Share Entitlement Ratio to be computed based on the relative valuation of the Demerged Undertaking of Inox Green and the equity shares of Resco as of the Valuation Date to comply with the valuation requirements of Securities Exchange Board of India and the Companies Act, 2013 with respect to the proposed Scheme of Arrangement of the Companies.

## B. Valuation Bases and Premise of Value

**Valuation Bases**

As per ICAI Valuation Standard 102 (“Valuation Bases”) (taken verbatim),

*“In transactions of the nature of –merger or amalgamation of companies or merger or demerger of businesses, the consideration is often discharged primarily by issue of securities in the nature equity of the acquirer or transferee entity with reference to an exchange ratio or entitlement ratio, considering the relative values.*

*Such relative values are generally arrived at by applying an appropriate valuation approach or a combination of valuation approaches. If a combination of valuation approaches or methodologies is adopted, appropriate weightages are assigned to arrive at a single value. Relative values are usually derived by using similar valuation approaches, methodologies and weightages. Use of differing methodologies or approaches may be justified in some circumstances, e.g., merger of a listed company and an unlisted company where market price method would be relevant only for the listed company”*

**Premise of Value**

The report has adopted “Going Concern Value” as the premise of value in the given circumstances. The generally accepted definition of Going concern value is the value of a business enterprise that is expected to continue to operate in the future.

We have carried out the valuation in accordance with the principles laid in the ICAI Valuation Standards, as applicable to the purpose and terms of this engagement.

## C. Scope Limitations, Assumptions, Qualifications, Exclusions and Disclaimers

This 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. Further our report on recommendation of fair equity share entitlement ratio is in accordance with ICAI Valuation Standards 2018.

This report has been prepared for board of directors of the Companies solely for the purpose of recommending a fair Share Entitlement Ratio for the proposed Scheme of Arrangement.

Valuation is not a precise science, and the conclusions arrived at will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While we have provided an assessment of value by applying certain formulae which are based on the information available, others may place a different value.

The Management has represented that the Companies have clear and valid title of assets. No investigation on the Companies' 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.

The draft of the present report (excluding the recommended fair equity share entitlement ratio) was circulated to the Management for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.

For the purpose of this exercise, we were provided with both written and verbal information including information detailed in the section 'Sources of Information' of this report. Further, the responsibility for the accuracy and completeness of the information provided to us by the Companies/auditors/consultants is that of the Companies. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements by the Management may materially affect our valuation analysis/conclusions. Our work does not constitute an audit, due diligence or certification of these information referred to in this report including information sourced from public domain. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any information referred to in this report and consequential impact on the present exercise. However, nothing has come to our attention to indicate that the information provided/obtained was materially misstated/incorrect or would not afford reasonable grounds upon which to base the report.

Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report as agreed with the Management.

Our recommendation is based on the estimates of future financial performance as projected by the Management, which represents their view of reasonable expectation at the point of time when they were prepared, after giving due considerations to commercial and financial aspects of the Companies and the industry in which the Companies operate. But such information and estimates are not offered as assurances that the particular level of income or profit will be achieved or events will occur as predicted. As part of our evaluation process, we have evaluated the reasonableness of the projections prepared by the Management and had discussion with the Management to understand the basis and assumptions for the preparation of projections. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections in this exercise of valuation should not be construed or taken as being associated with or a party to such projections.

A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Resulting Company and the Demerged Undertaking and any other matter, which may have an impact on our opinion, on the relative values of the Resulting Company and the Demerged Undertaking including any significant changes that have taken place or are likely to take place in the financial position of the Resulting Company and the Demerged Undertaking. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this report.

The fee for the engagement and this report is not contingent upon the results reported. We have no present or contemplated financial interest in any of the Companies.

Our report is not, nor should it be construed as opining or certifying the compliance of the proposed transaction with the provisions of any law including companies, competition, taxation (including transfer pricing) and capital market related laws or as regards any legal implications or issues arising in India or abroad from such Scheme of Arrangement.

Any person/party intending to provide finance/invest in the shares/convertible instruments/business of the Companies 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.

The decision to carry out the transaction (including consideration thereof) lies entirely with the Management and our work and our finding shall not constitute a recommendation as to whether or not the Management should carry out the transaction.

This report is meant only for the purpose mentioned in Section I.A and should not be used for any purpose other than the purpose mentioned therein. It is exclusively for the use of the Companies and for submission to any regulatory/statutory authority as may be required under any law. This 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. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom the report is disclosed or otherwise made available.

Neither Finvox, nor our partners and employees make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is 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.

## D. Approach to Valuation

Our opinion is based on, among other things, our estimate of the risks facing the Resulting Company and the Demerged Undertaking, and the return on investment that would be required on alternative investments with similar levels of risk.

In order to value the Resulting Company and the Demerged Undertaking, we considered three approaches to valuation, as provided under the IVS 103 – Valuation Approaches and Methods: the market approach, the income approach and the asset approach. We have reviewed and analysed several methods and their results to determine which methods would generate the most reasonable opinion of value of their operations as on the Valuation Date. A description of the approaches used and the approaches considered but not used are included within this report.

Both internal and external factors, which influence the value of the Demerged Undertaking and the Resulting Company have been reviewed, analysed, and interpreted. Internal factors included the financial position and results of operations. External factors included, among other things, the status of the economy and the position of the Resulting Company and the Demerged Undertaking relative to the industry.

## E. Procedures Adopted

In connection with this exercise, we have adopted the following procedures to recommend the fair Share Entitlement Ratios:

- Reviewed and understood the proposed Scheme of Arrangement
- Requested and received financial and qualitative information.
- Considered data available in public domain related to the Demerged Undertaking and the Resulting Company.
- Held discussions (in person/over call) with the Management of the Companies.
- Reviewed the business projections of the Demerged Undertaking and the Resulting Company prepared by each company, including revenue and cost projections, profitability and cash flow estimates, capital expenditure and working capital requirements etc.
- Obtained understanding of the assumptions underlying the financial projections/business plan and developed rationale for the same based on discussions with the Companies' Management.
- Received and reviewed the advisory report on the valuation of tangible assets held by the Demerged Undertaking as of September 30, 2024. The report, dated November 13, 2024, was issued by RS Valuation Services Private Limited, a Registered Valuer (IBBI Registration Number: IBBI/RV-E/14/2021/147) for tangible asset valuations (the "Tangible Asset Valuation Report").
- Applied judgment and finalized valuation based on valuation approaches such as income approach, market approach or asset approach.
- Researched publicly available market data including economic factors and industry trends that may impact the valuation.
- Determined the relative value of the Demerged Undertaking and the Resulting Company by applying appropriate valuation methodologies.

- Arrived at recommendation of the fair Share Entitlement Ratio for the proposed Scheme of Arrangement.

## F. Scope of Information

Our expression of the recommendation of the fair Share Entitlement Ratio based on the relative values of the Demerged Undertaking and the Resulting Company is supported by all procedures that we deem to be relevant. We have obtained sufficient information in accordance with IVS 201 - 'Scope of Work, Analyses and Evaluation', and relied on the data, facts, information, documents, and explanations as authenticated, and provided to us by the Management. Our recommendation is based on the information listed below.

- Proposed scheme of arrangement between Inox Green, Resco and their respective shareholders.
- Audited Financial Statements of Resco and Inox Green as of and for the year ended March 31, 2024.
- Limited reviewed historical standalone financial statements of Resco as of and for the six-month period ended September 30, 2024.
- Carved-out balance sheet of the Demerged Undertaking as of September 30, 2024.
- Income tax audit report of Resco and Inox Green for the FY 2023-24.
- Carved-out fixed asset register and unabsorbed losses details of the Demerged Undertaking of Inox Green.
- Projections of the Demerged Undertaking of Inox Green, over the remaining estimated useful life of underlying assets, for the years ending March 31, 2025 through March 31, 2057.
- Standalone projections of Resco for the years ending March 31, 2025 through March 31, 2029.
- The Tangible Asset Valuation Report.
- Data extracted from publicly available sources believed to be reliable and true.
- Discussions with the Management, and other quantitative and qualitative data.

Supporting data, copies of source documents and other pertinent information supporting our opinion of value are maintained in our files.

## II. OVERVIEW

### A. Inox Green Energy Services Limited

**Business History and Background**

Inox Green Energy Services Limited is a public company domiciled in India and was incorporated on May 11, 2012 under the provisions of the Companies Act, 1956 (corporate identification number: L45207GJ2012PLC070279). Inox Green is engaged in the business of providing O&M services of WTGs, and the Power Evacuation Business. As of the Valuation Date, Inox Green is a subsidiary of Inox Wind Limited.

As of the Valuation Date, Inox Green is listed on both BSE and NSE under the ticker "INOXGREEN".

The registered office of Inox Green is located at Survey No. 1837 and 1834, Moje Jetalpur, ABS Tower, Second Floor, Old Padra Road, Vadodara, Gujarat - 390007.

**Shareholding Pattern**

The shareholding pattern of Inox Green as of the Valuation Date is presented in the table below.

**Inox Green Energy Services Limited**
*Shareholding Pattern as of the Valuation date*

| | # of Shares | % Holding |
|---|---|---|
| Inox Wind Limited | 20,52,74,691 | 55.93% |
| Devansh Jain | 300 | 0.00% |
| Devendra Kumar Jain | 100 | 0.00% |
| Vivek Kumar Jain | 100 | 0.00% |
| Mukesh Patni | 100 | 0.00% |
| Public Shareholders | 16,17,41,498 | 44.07% |
| **Total** | **36,70,16,789** | **100.00%** |

As of the Valuation Date, Inox Green has 4,20,68,962 outstanding convertible warrants having issue price of INR 145 per share warrant. Each convertible warrant has right to convert into one equity share within a period of eighteen months from the date of allotment (August 2, 2024). Inox Green has received 25% of the issue price at the time of allotment and the balance 75% is receivable upon the exercise of these warrants.

**Demerged Undertaking**

According to the draft scheme of arrangement, the "Demerged Undertaking" means "Power Evacuation Business" of the Demerged Company on a going concern basis, which shall include all related assets, investments, liabilities, rights and obligations relating to Power Evacuation

Business, as decided by the Board of Directors of Inox Green, and shall include (without limitation):

a. any and all the properties and assets, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building, computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work-in-progress, roads, raw materials, finished goods, vehicles, stores and spares, loose tools, sundry debtors, furniture, fixtures, fittings, office equipment, sub-stations, transmission lines, telephone, facsimile and other communication facilities and equipment, electricals, appliances, accessories, deferred tax assets and investments related to Demerged Undertaking of the Demerged Company;

b. any and all liabilities, present and future, including the contingent liabilities related to Demerged Undertaking of the Demerged Company;

c. any and all rights and licenses including but not limited from the Ministry of New and Renewable Energy, Solar Energy Corporation of India, Central Electricity Regulatory Commission, relevant State Electricity Regulatory Commission, SEBI, Stock Exchanges, depositories, depository participants, Registrar to an issue and share transfer agent, or any other authority, all assignments and grants thereof, all permits, quotas, holidays, benefits, clearances and registrations, whether under Central, State or other laws, rights (including rights/ obligations under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits (including MODVAT/ CENVAT, Service Tax credits, GST credits, Minimum Alternate Tax ("MAT") credit, tax deducted at source, tax collected at source, foreign tax credit), tax deferrals, advance tax, self assessment tax, unabsorbed tax depreciation, income tax refund, tax losses (current year or brought forward business or capital losses), deferred tax assets, incentives or schemes of central/ state/ local governments, certifications and approvals, regulatory approvals, entitlements, other licenses, environmental clearances, municipal permissions, approvals, consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), cash balances, bank balances, bank accounts, reserves, deposits, loans and advances, recoverable, receivables, benefit of insurance claims, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by the Demerged Company, funds belonging to or proposed to be utilised by the Demerged Company, privileges, all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company or any powers of attorney issued in favour of the Demerged Company or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory or regulatory authority, to which the Demerged Company was a party), powers and facilities of every kind, nature and description whatsoever, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits, duties and obligations of all agreements, contracts and arrangements and all other interests related to the Demerged Undertaking of the Demerged Company;

d. all employees, in relation to the Demerged Undertaking of the Demerged Company, whether on payroll or on third party contract basis and interns/ trainees, immediately preceding the

Effective Date and all other obligations of whatsoever kind, including liabilities of the Demerged Company regarding their employees with respect to the payment of compensation, gratuity, provident fund, leave encashment, etc. and benefits or obligations of any fund whether insurances, retirement, etc;

e. any and all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, share application money, earnest moneys and/ or security deposits paid or received by the Demerged Company in relation to the Demerged Undertaking;

f. any and all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and backup copies, drawings, other manuals, data catalogues, quotations, sales and advertising materials, and other data and records whether in physical or electronic form related to the Demerged Undertaking of the Demerged Company;

g. all intellectual property rights including all trademarks, trademark applications, trade names, patents and patent applications, domain names, logo, websites, internet registrations, copyrights, trade secrets, service marks, quality certifications and approvals and all other interests exclusively related to the Demerged Undertaking of the Demerged Company.

## B. Resco Global Wind Service Limited

### Business History and Background

Resco Global Wind Services Limited was incorporated as a private limited company on January 21, 2020 under the provisions of the Companies Act, 2013 (Corporate Identification Number: U40106GJ2020PLC112187). W.e.f. October 23, 2024, Resco has been converted into a public company under section 18 of the Companies Act, 2013. Further, the Board of Directors and Shareholders of Resco in their meetings held on September 2, 2024 and September 3, 2024 respectively have approved the proposal to change the name of the Resulting Company to 'Inox Renewable Solutions Limited', or such other name as may be approved by the Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs, subject to the necessary approvals from the relevant regulatory authorities. Resco is engaged in the business of providing EPC services, common infrastructure facilities on the wind farms which support the evacuation of power and development of wind farm services for WTGs.

The registered office of Resco is located at 301, ABS Towers, Old Padra Road, Vadodara, Gujarat, India-390007. As of the Valuation Date, Resco is a subsidiary of Inox Wind Limited.

### Shareholding Pattern

The shareholding pattern of the Resco as of the Valuation Date is provided in the table below.

**Resco Global Wind Services Limited**

*Shareholding Pattern as of the Valuation date*

| | # of Shares | % Holding |
|---|---|---|
| Inox Wind Limited | 14,88,30,788 | 91.90% |
| Others | 1,31,10,468 | 8.10% |
| **Total** | **16,19,41,256** | **100.00%** |

In September 2024, Resco raised an additional capital in the amount of INR 350.05 crores from high-net-worth individuals and institutional investors through the fresh issuance of 1,31,10,468 equity shares at an issue price of INR 267 per share.

Additionally, in September 2024, Resco converted approximately INR 389 crores of inter-company deposits into 1,45,69,288 of equity shares at conversion price of INR 267 per share.

# III. OPINION OF VALUE

## A. Valuation Approaches and Methodologies

### 1. Valuation Approaches

A brief explanation of each valuation approach is provided below.

Income Approach

The income approach provides an estimate of the present value of the monetary benefits expected to flow to the owners of the business. It requires the projection of the cash flows that the business is expected to generate. These cash flows are then converted to their present value by means of discounting, using a rate of return that accounts for the time value of money and the appropriate degree of risk in the investment. The value of the business is the sum of the discounted cash flows.

Market Approach

The market approach considers actual arm's-length transactions for which the market value of investments alternative to the subject company can be observed. The value of a company or an ownership interest in the company can be estimated by developing relevant multiples for the comparative companies that relate value to underlying revenue, earnings, or cash flow variable, and then applying these multiples to the comparable underlying revenue, earnings, or cash flow variable for the subject company. The value multiples can be derived from guideline public company and comparable transactions of publicly traded companies or private companies.

Cost (Asset-Based) Approach

The asset-based (net underlying assets) approach is a form of the cost approach. The values of the individual assets (i.e., current, fixed, and intangible) of the business are estimated. The sum of the individual asset values represents the total asset value of the enterprise. The enterprise's liabilities related to working capital are deducted to arrive at an indication of value for the invested capital of the business. Because the cost approach does not always reflect the full value of intangible assets, it is often not appropriate to value an operating business completely on the basis of this approach without giving weights to other valuation methods. The cost approach may be relevant to the value of an operating business that is not sufficiently profitable and whose "breakup" values may be greater than its going concern value.

### 2. Valuation Methodologies

The valuation methodology to be adopted varies from case to case depending upon different factors affecting valuation. Different methodologies are adopted for the valuation of manufacturing, investment, consultancy, and trading companies.

Though there are no thumb rules for valuation, the method to be adopted has to be appropriate to the particular purpose for which valuation is being done as well as the attendant circumstances of each case. For example, a manufacturing company is generally valued on the combination of asset value and the earning potential of the business. An investment company is valued on the basis of the value of underlying assets.

However, the value is specific to the point in time and may change with the passage of time. The value is derived in the context of an existing environment that includes economic conditions, state of industry/market and state of business activities of companies being valued etc. as of the appointed date of valuation. The basis of valuation would depend upon the purpose of valuation, the type of business, the future prospects and other attendant circumstances.

<u>Discounted Cash Flow Method ("DCF") – Income Approach</u>

The DCF method values the asset by discounting the cash flows expected to be generated by the asset for the explicit forecast period and also the perpetuity value (or terminal value) in the case of assets with an indefinite life. The DCF method is one of the most common methods for valuing various assets such as shares, businesses, real estate projects, debt instruments, etc. This method involves discounting of future cash flows expected to be generated by an asset over its life using an appropriate discount rate to arrive at the present value. The important inputs for the DCF method are (a) Cash flows; (b) Discount rate; and (c) Terminal value.

The following are the cash flows that are used for the projections:

(a) Free Cash Flows to Firm ("FCFF"): FCFF refers to cash flows that are available to all the providers of capital, i.e. equity shareholders, preference shareholders and lenders. Therefore, cash flows required to service lenders and preference shareholders such as interest, dividend, repayment of principal amount and even additional fund-raising are not considered in the calculation of FCFF.

(b) Free Cash Flows to Equity ("FCFE"): FCFE refers to cash flows available to equity shareholders and therefore, cash flows after interest, dividend to preference shareholders, principal repayment and additional funds raised from lenders/preference shareholders are considered.

Appropriate Discount Rate - Discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the asset being valued as well as the risk inherent in achieving future cash flows. In discounting the FCFF the appropriate discount rate is the weighted average cost of capital, which results in the enterprise value of the company. Whereas, in the case of FCFE the appropriate discount rate is the cost of equity, which results in the equity value of the company.

Terminal value – It represents the present value at the end of the explicit forecast period of all subsequent cash flows to the end of the life of the asset or into perpetuity if the asset has an indefinite life. There are different methods for estimating the terminal value. The commonly used methods are:

(a) Gordon (Constant) Growth Model;

(b) Variable Growth Model; and
(c) Exit Multiple;

Capitalization of Free Cash Flows Method – Income Approach

The capitalization of free cash flows method is an income-based approach which is used to value a business based on future estimated free cash flow to equity or free cash flow to the firm generated by a company. The projected free cash flow is capitalized using an appropriate capitalization rate. This method expresses a relationship between the following:

- Estimated future benefits (earnings or cash flows)
- Yield (required rate of return) on either equity or total invested capital (capitalization rate)

It is important that any income or expense items generated from non-operating assets and liabilities be removed from estimated future benefits prior to applying this method. The value of net non-operating assets and liabilities is then added to the value of the business derived from the capitalization of earnings. The capitalization of FCFE/FCFF is a single period method that assumes a stable level of cash flow. This method is appropriate for valuing companies which have reached a stable stage and are expected to generate a stable level of cash flow in the future years.

Comparable Companies Multiples Method – Market Approach

This method involves reviewing valuation multiples for companies that are in the same or similar line of business as the company being valued and then applying the relevant valuation multiples to the subject company to determine its value. The theory behind this approach is that valuation measures of similar companies, as manifested through stock market valuations of listed comparable companies, should represent a good proxy for the specific company being valued. Depending on the source of data available and the underlying company being valued, a variety of valuation measures might be used including Enterprise Value ("EV") to Sales, EV to EBITDA, Price to Earnings, etc.

Merged and Acquired Company Method – Market Approach

This method involves reviewing transaction multiples for companies that are in the same or similar line of business as the company being valued and then applying the relevant transaction multiples to the subject company to determine its value. The transaction multiples are determined for the comparable transactions for which financial details are available in the public domain. The theory behind this approach is that valuation measures of similar companies, as manifested through market transactions (i.e. acquisition or equity funding), should represent a good proxy for the specific company being valued. Depending on the source of data available and the underlying company being valued, a variety of valuation measures might be used including Enterprise Value (EV) to Sales, EV to EBITDA, Price to Earnings, etc.

Net Assets Value Method – Cost (Asset-Based) Approach

The net asset value method is an asset-based approach to valuation where the value of the business is based on the difference between the value of the assets and liabilities of the business.

## B. Recommendation of Fair Equity Share Entitlement Ratio

The fair basis for recommending the Share Entitlement Ratio for the proposed Scheme of Arrangement of Inox Green with Resco is dependent upon various factors and considerations mentioned here in this report. Though different values have been arrived at under different methods, for the purposes of recommending an entitlement ratio it is necessary to arrive at a single value for the shares of the companies. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of each company. Our exercise is to work out relative equity value of the Demerged Undertaking and the Resulting Company to facilitate the determination of the fair Share Entitlement Ratio. For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.

We have independently applied approaches / methods discussed above, as considered appropriate and arrived at their assessment of the relative values per equity share of the Demerged Undertaking and the Resulting Company. To arrive at the fair share entitlement ratios for the Scheme of Arrangement, suitable minor adjustments / rounding off have been done in the relative values arrived by Finvox.

The fair equity share entitlement ratio has been arrived on the basis of a relative equity valuation of the Demerged Undertaking and the Resulting Company based on the approaches explained herein and various qualitative factors relevant to the companies/business undertaking and the business dynamics and growth potential of the businesses, having regard to information base, management representation and perceptions, key underlying assumptions and limitations.

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgement 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 balance sheets but which will strongly influence the worth of a share.

In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove in this report, we recommend the following fair equity share entitlement ratio for the proposed Scheme of Arrangement whose computation as required as per BSE Circular number LIST/COMP/02/2017-18 dated May 29, 2017 and NSE Circular number NSE/CML/2017/12 dated June 01, 2017 is as under:

The calculation of fair Share Entitlement Ratio of the Demerged Undertaking of Inox Green and Resco is presented in Exhibit 1.

**Exhibit 1**

**Inox Green Energy Services Limited**
**Resco Global Wind Services Limited**
*Calculation of Fair Share Entitlement Ratio*

| Valuation Approach | Resco Global Wind Services Limited (1) | | The Demerged Undertaking (2) | |
|---|---|---|---|---|
| | Value Per Share (INR) | Weighting | Value Per Share (INR) | Weighting |
| Asset Approach | 56.4 | 0.0% | 32.4 | 0.0% |
| Income Approach | 267.0 | 50.0% | 32.5 | 100.0% |
| Market Approach | 267.0 | 50.0% | NA | NA |
| **Relative Value Per Share (INR)** | **267.0** | | **32.5** | |
| **Fair Share Entitlement Ratio (Rounded)** | | **0.122** | | |

*NA: Not Applicable / Not Applied*

## Notes to Exhibit 1:

(1) Resco Global Wind Services Limited:

- Asset Approach: In the current analysis, the demerger of the Demerged Undertaking into the Resco is proceeded with one assumption that they would continue as going concern and an actual realization of the operating assets is not contemplated. In a going concern scenario, the earning power, as reflected under the income/market approach, is of greater importance to the basis of restructuring, with the values arrived at on the net asset basis being of limited relevance. While we calculated the indicated value per equity share of Resco under the asset approach, we have considered it appropriate not to assign any weighting to this approach for valuation of the Resulting Company.

  We calculated the value of Resco using the asset approach via the adjusted net asset value method. The adjusted net asset value method is an asset-based approach whereby the value of the business is based on the difference between the value of the company's assets and liabilities.

  The adjusted net asset value has been computed based on the balance sheet of Resco as of September 30, 2024. According to the Management, there are no material changes in the financial position and list of assets or liabilities of the Resulting Company from September 30, 2024 through the Valuation Date. As a result, the adjusted net asset value of the Resulting Company as of September 30, 2024 is accepted as a reasonable proxy for the value via the asset approach as of the Valuation Date.

  Further, the Resulting Company primarily incurred the capital expenditures for the construction of its fixed assets during the past 2.5 years. Accordingly, no adjustment was made to the book values of plant, property and equipment and their book values have been accepted as reasonable proxies for their values as of the Valuation Date to calculate the value via the asset approach.

- Income Approach: Given the operating nature of business of Resco and based on the multi-year projections provided by the Management, we calculated the relative value of Resco via the income approach using the discounted cash flow method.

  The financial statements of Resco as of and for the six-month period ended September 30, 2024 were provided by the Management. According to the Management, there is no significant change in the business and financial position of Resco from September 30, 2024 through the Valuation Date. As a result, to determine the relative value of equity shares of the Resulting Company, the balance sheets and list of assets/liabilities as of September 30, 2024 have been accepted as reasonable proxies for the financial position and list of assets/liabilities as of the Valuation Date.

- Market Approach: As previously discussed, in September 2024, Resco raised an additional capital in the amount of INR 350.05 crores from high-net-worth individuals and institutional investors through the fresh issuance of 1,31,10,468 equity shares at an issue price of INR 267 per share. As this transaction occurred near to the Valuation Date, we have used the issue price as the benchmark for the relative value via the market approach.

As Resco is continuing as a going concern, the intrinsic value derived from the company's operations, growth potential, or future earnings typically holds more significance in determining its overall valuation. Further, indicated value per equity share of Resco calculated via both the income approach and the market approach confirm one another. Accordingly, we assigned equal weighting to income approach and market approach to compute the weighted average relative value per equity share of Resco as of the Valuation Date. As previously explained, we did not assign any weighting to the indicated value calculated via the asset approach.

(2) Power Evacuation Business of Inox Green:

- Asset Approach: As previously discussed, in the current analysis, the demerger of the Demerged Undertaking into the Resco is proceeded with one assumption that they would continue as going concern and an actual realization of the operating assets is not contemplated. In a going concern scenario, the earning power, as reflected under the income/market approach, is of greater importance to the basis of restructuring, with the values arrived at on the net asset basis being of limited relevance. While we calculated the indicated value of the Demerged Undertaking under the asset approach, we have considered it appropriate not to assign any weighting to the asset approach for valuation of the Demerged Undertaking.

  The adjusted net asset value has been computed based on the carved-out balance sheet of the Demerged Undertaking as of September 30, 2024. According to the Management, there are no material changes in the financial position and list of assets or liabilities of the Demerged Undertaking from September 30, 2024 through the Valuation Date. As a result, the adjusted net asset value of the Demerged Undertaking as of September 30, 2024 is accepted as a reasonable proxy for the value via the asset approach as of the Valuation Date.

The value of plant, property and equipment is considered based on the Tangible Asset Valuation Report issued by RS Valuation Services Private Limited, Registered Valuer for tangible asset. As a part of our valuation, we also reviewed the above-stated valuation report of tangible asset. This review involved an examination of the methodology and valuation approach adopted along with compliance with valuation standards. Additionally, the valuer's qualifications, experience, and adherence to regulatory requirements were assessed to ensure appropriateness of the valuation.

- Income Approach: Given the nature of business of the Demerged Undertaking and based on the multi-year projections provided by the Management, we calculated the relative value of the Demerged Undertaking via the income approach using the discounted cash flow method. The equity value of the Demerged Undertaking was divided by the total number of equity shares of Inox Green (on a fully diluted basis including the conversion of convertible warrants into equity shares) to arrive at the equity value per share for the Demerged Undertaking.

  The carved out financial statements of Power Evacuation Business of Inox Green as of and for the six-month period ended September 30, 2024 was provided by the Management. According to the Management, there is no significant change in the business and financial position of the Demerged Undertaking from September 30, 2024 through the Valuation Date. As a result, to determine the relative value of equity shares of the Demerged Undertaking, the balance sheets and list of assets/liabilities as of September 30, 2024 have been accepted as reasonable proxies for the financial position and list of assets/liabilities as of the Valuation Date.

- Market Approach: As of the Valuation Date, Inox Green is listed on BSE and NSE. The Demerged Undertaking is a part of Inox Green. However, the market price of Inox Green cannot be directly used to determine the value per share of the Demerged Undertaking. Additionally, we were not able to identify any directly comparable transactions/companies for the Demerged Undertaking. Accordingly, we did not apply the market approach to compute the relative value of the equity shares of the Demerged Undertaking.

Given the Demerged Undertaking has continuing operations, the intrinsic value derived from the company's operations or future earnings holds more significance in determining its overall valuation. Accordingly, we assigned 100% weighting to income approach to compute the weighted average relative value per equity share of the Demerged Undertaking as of the Valuation Date. As previously explained, we did not assign any weighting to the indicated value calculated via the asset approach.

## C. Recommendation of Fair Entitlement Ratio for Convertible Warrants

As previously discussed, Inox Green has 4,20,68,962 outstanding warrants having issue price of INR 145 per warrant as of the Valuation Date. These warrants have right to convert into equity shares using the conversion ratio of 1:1 within a period of eighteen months from the allotment date.

Pursuant to the demerger, based on the proposed Share Entitlement Ratio, the outstanding convertible warrants holders in Inox Green will also be entitled to receive convertible warrants in Resco with similar terms subject to change in the issue price. Based on the value per share of Inox Green (as a whole) and the Demerged Undertaking, the issue price of the outstanding convertible warrants has been allocated between the Demerged Undertaking and the residual Inox Green.

For the limited purpose to split the issue price of the outstanding convertible warrants, the value per share of Inox Green (as a whole) is calculated using the formula stated in Section 164(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, ("ICDR Regulations").

Using the values per share of Inox Green (as a whole) and the Demerged Undertaking, the allocation of issue price per convertible warrant is presented in Exhibit 2.

**Exhibit 2**

**Inox Green Energy Services Limited**
**Resco Global Wind Services Limited**
*Allocation of Issue Price of Convertible Warrants*

| | | |
|---|---|---|
| Pre-Demerger Issue Price Per Convertible Warrant (INR) | [A] | 145.00 |
| Value Per Equity Share of Inox Green (as a whole) (INR) | [B] | 190.75 |
| Value Per Equity Share of the Demerged Undertaking (INR) | [C] | 32.50 |
| Proportion of Issue Price Per Convertible Warrant allocable to the Demerged Undertaking (Rounded) | [D = C / B] | 17.0% |
| Proportion of Issue Price Per Convertible Warrant allocable to the residual Inox Green (Rounded) | [E = 1 - D] | 83.0% |
| **Issue Price Per Convertible Warrant allocable to the Demerged Undertaking (INR) (Rounded)** | [F = A x D] | **25.00** |
| **Issue Price Per Convertible Warrant allocated to the residual Inox Green (INR)** | [G = A - F] | **120.00** |

Based on the issue price per convertible warrant allocable to the Demerged Undertaking, the calculation for the issue price per convertible warrant to be issued in Resco, taking into consideration the Share Entitlement Ratio, is presented in Exhibit 3. Since the convertible warrants are convertible into equity shares in the ratio of 1:1, the Share Entitlement Ratio proposed for the equity shares will also be applicable to the convertible warrants.

**Exhibit 3**

**Inox Green Energy Services Limited**
**Resco Global Wind Services Limited**
*Computation of Issue Price and Number of Outstanding Convertible Warrants to be issued by Resco*

| | | |
|---|---|---|
| *Prior to Conclusion of Scheme of Arrangement* | | |
| Number of Convertible Warrants Outstanding | [A] | 42,068,962 |
| Allocated Issue Price (INR Per Convertible Warrant) | [B] | 25.00 |
| Aggregate Cash Consideration (INR) | [C = A x B] | 1,051,724,050 |
| *Post Conclusion of Scheme of Arrangement* | | |
| Aggregate Cash Consideration (INR) | [D = C] | 1,051,724,050 |
| Share Entitlement Ratio for Scheme of Arrangement (See Exhibit 1) | [E] | 0.122 |
| **Number of Convertible Warrants Outstanding in Resco Post Conclusion of Scheme of Arrangement** | [F = A x E] | **5,132,414** |
| **Issue Price in Resco Post Conclusion of Scheme of Arrangement (INR Per Convertible Warrant) (Rounded)** | [G = D / F] | **205.0** |

Due to the allocation of the issue price of convertible warrants between the Demerged Undertaking and the residual Inox Green, the issue price for the convertible warrants issued in Inox Green will also be adjusted.

As previously discussed, Inox Green has already received 25% of the issue price of the convertible warrants at the time of allotment. Accordingly, Inox Green and Resco will receive only the balance 75% of the issue price of the convertible warrants that will be issued by the respective companies pursuant to the proposed Scheme of Arrangement. The balance 75% of the issue price will be paid by the warrant holders upon the exercise of these warrants. Additionally, the conversion period and the conversion ratio of the convertible warrants to be issued by Inox Green and Resco pursuant to the proposed Scheme of Arrangement will remain same as of the original convertible warrants issued by Inox Green (i.e., the warrant holders will have a right to apply for and be allotted one equity share of the company, from time to time, in one or more tranches within a period of 18 months from the date of allotment of the original convertible warrants which was August 2, 2024).

## IV. CONCLUSION

**Based on our study and analytical review procedures, and subject to the limitations expressed within this report, the recommended fair Share Entitlement Ratio for the proposed Scheme of Arrangement of the Power Evacuation Business of Inox Green Energy Services Limited into Resco Global Wind Services Limited, is:**

- ***"122 equity shares of Resco of face value of INR 10 each fully paid up to be issued for every 1,000 equity shares of Inox Green of face value of INR 10 each fully paid up"***

- ***"122 convertible warrants of Resco having issue price of INR 205 (rounded) each to be issued for every 1,000 convertible warrants of Inox Green having issue price of INR 145 each"***

- ***"1,000 convertible warrants of Inox Green having issue price of INR 120 each to be issued and substituted for every 1,000 convertible warrants of Inox Green having issue price of INR 145 each"***

**For Finvox Analytics**
*Registered Valuer Entity (Securities & Financial Assets)*
Registration Number: IBBI/RV-E/06/2020/120

AMRISH GARG

Digitally signed by AMRISH GARG
DN: c=IN, o=Personal, title=8371,
2.5.4.20=8f166521a2ca473f68c5a925055587577238138635055f9f3db7f5cc30734254,
postalCode=110077, st=Delhi,
serialNumber=c7e7f56f512575213397e845d9a142077995aea838f741a879fd528522d3a304,
cn=AMRISH GARG
Date: 2024.11.13 09:54:49 +05'30'

CA. Amrish Garg
Partner
IBBI Registration No: IBBI/RV/06/2018/10044
ICAI Membership No: 511520
UDIN: 24511520BKDIVW8510

**Date:** November 13, 2024
**Place:** Delhi

## APPENDIX A
## STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

This report is subject to the following assumptions and limiting conditions:

- We have no present or contemplated financial interest in the Companies and/or its affiliates. Our fees for this report are based upon our normal hourly billing rates, and in no way are contingent upon the results of our findings. We have no responsibility or obligation to update this report for events or circumstances brought to our attention or occurring subsequent to the date of this report.

- Users of this report should be aware this report is based on assumptions regarding future earnings potential, and/or certain asset values that may or may not materialize. Therefore, the actual results achieved in the future will vary from the assumptions utilized in this report, and the variations may be material.

- Our report is based on historical and/or prospective financial information provided to us by the Companies' management and other third parties.

- This report has been prepared as general information for private use of investors to whom the 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 investors' particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. Before acting on any information, it is recommendable to consult one's financial advisor.

- The risk of investing in certain financial instruments in generally high, as their market value is exposed to a lot of different factors such as the operations and financial conditions of the relevant company, growth prospects, changes in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Past performance is not a guide to future performance. Estimates of future performances are based on assumptions that may not be realized.

- The Companies and their representatives warranted to us that the information they supplied was complete and accurate to the best of their knowledge and that the financial statement information reflects the Companies' results of operations and financial condition, unless otherwise noted. Information supplied by the Companies' management has been accepted as true and correct, and we express no opinion on that information. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the company, its directors, employees or agents.

- We have relied upon the representations of the owners, the Companies' management and other third parties concerning the value and useful condition of all equipment, real estate investments, investment used in the business, and any other assets or liabilities except as specifically stated to the contrary in this report. We have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances, or that the Companies have good title to all assets.

- We have not ascertained and checked the ownership titles on the assets held by the Companies.

- We have assumed that the management will maintain the character and integrity of the Companies through any reorganization or reduction of any owner's/manager's participation in the existing activities of the Companies.

- Finvox Analytics does not purport to be a guarantor of value. Valuation of closely-held company is an imprecise science, with value being a question of fact, and reasonable people can differ in their estimates of value. Finvox Analytics has, however, used conceptually sound and commonly accepted methods and procedures of valuation in determining the estimate of value included in this report.

- The various estimates of value presented in this report apply to this valuation only and may not be used out of the context presented herein. This valuation is valid only for the purpose or purposes specified herein. This report is valid only for the valuation date specified herein.

- The valuation contemplates facts and conditions existing as of the valuation date. Events and conditions occurring after that date have not been considered, and we have no obligation to update our report for such events and conditions. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as of the valuation date.

- The report assumes that the Companies 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.

- This Valuation Report was prepared in compliance with, and meets the reporting requirements of the ICAI Valuation Standards.

- We have presented certain information within this report, which was taken from sources including, but not limited to, financial statements, tax returns, and corporate history. This information has been supplied by the Companies or their representatives. The historical financial information presented within is included solely to assist in the development of the value conclusion presented in this report, and it should not be used to obtain credit or for any other purpose. Because of the limited purpose of this presentation, it may be incomplete and contain departures from generally accepted accounting principles. We have not audited, reviewed, or compiled this presentation and express no assurance on it. Accordingly, this report should not be construed, or referred to, as an audit, examination, or review by Finvox Analytics.

- Possession of this report, or a copy thereof, does not carry with it the right of publication of all or part of it, nor may it be used for any purpose by anyone but the Companies' management without the previous written consent of Finvox Analytics, and, in any event, only with proper attribution.

- Any recast financial statements, forecasts, or pro forma statements are the result of data provided by the Companies, their officers, or representatives, or are based on assumptions as indicated in this report. Such recasted, forecasted, or pro forma statements may not anticipate the economic, socioeconomic, political, market, or legal factors, which may impact the operations of the subject company. Accordingly, Finvox Analytics makes no representations, expressed or implied, as to the validity of such recasted, forecasted, or pro forma statements.

- This report is neither an offer to sell, nor a solicitation to buy securities, and/or equity in, or assets of, the Companies.

- We are fully aware that based on the opinion of value expressed in this report, we may be required to give testimony, attend court / judicial proceedings or respond to regulatory enquiries 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.

- This report and analysis were prepared under the direction of CA. Amrish Garg. CA. Amrish Garg is a Chartered Accountant, a Registered Valuer and holds a fifty percent partnership interest in Finvox Analytics, a registered valuer entity enrolled with ICAI Registered Valuer Organization for Securities and Financials Assets class.

**APPENDIX B**
**STATEMENT OF APPRAISER QUALIFICATIONS**


### Amrish Garg, FCA, CFA
Mob: 91-9999981321
agarg@finvoxanalytics.com
ICAI Membership Number: 511520
IBBI Membership No: IBBI/RV/06/2018/10044


### Professional Qualification
Chartered Accountant (CA), May 2007 Batch, 6$^{th}$ All India Rank in CA Final
Chartered Financial Analyst (CFA), US
Registered Valuer as per the provisions of the Companies Act, 2013

### Education
Delhi University, Shri Ram Collage of Commerce – B.COM (H), 2005 Batch

### Certification Course
Indian School of Business, Hyderabad – General Management
Indian Institute of Management, Kolkata – Marketing Skills
Indian Institute of Management, Bangalore – Strategic Analysis
Business Valuation Masterclass by Prof. Aswath Damordaran

### Overall Experience
15+ years experience in valuation (Business / Equity / Complex Investment), equity fund raise and mergers & acquisitions.

### Business Valuation Experience
- Business valuation for the purposes of mergers and acquisition, corporate restructuring, insolvency, financial reporting, regulatory compliances, sales/purchase agreements, shareholder disputes, portfolio valuation, etc.
- Valuation of intangible assets or intellectual properties.
- Valuation of complex financial instruments including convertible preference shares, convertible notes, restricted stock units, Simple Agreement for Future Equity (SAFE), stock options, financial guarantee, liquidation preference rights, etc.
- Valuation for investment impairment/goodwill impairment testing.
- Valuation of carried interest of general partners in private equity/hedge funds.
- Valuation of life insurance policies and split-dollar loan agreements.
- Experience of valuing companies/assets across industries and stage of business cycle – Logistics, Supply Chain, Healthcare, Manufacturing, Retail, E-commerce, Consumer Goods, Hospitality, Power, Technology, Media, NBFC, etc.

### Fund Raise/M&A Experience

- M&A deal of divestment by a MNC of its one of the food processing businesses in India to another MNC based out of Spain.
- Private equity transaction for a logistic company developing integrated logistics parks.
- Private equity transaction for a SAAS startup in supply chain industry.
- Private equity transaction for a business center chain.
- Private equity and structured funding transaction for a branded food Company.
- Private equity and structured funding transaction for a 5-star hotel project.
- Structured funding transaction for a listed hospitality company.

### Articles and Publications

- Chapter on 'Valuation of Complex Investment Instruments' published in Valuation Professionals Insight- Series 1 issued by Valuation Standards Board of ICAI Registered Valuers Organisation (ICAI RVO).
- Chapter on 'Impact of IND-AS on Acquisition Accounting' published in Valuation Professionals Insight- Series 1 issued by Valuation Standards Board of ICAI Registered Valuers Organisation (ICAI RVO).
- Chapter on 'Valuation of Financial Guarantee' published in Valuation Professionals Insight- Series 2 issued by Valuation Standards Board of ICAI Registered Valuers Organisation (ICAI RVO).
- Chapter on 'Fair Value Measurement – IND AS 113' published in Valuation Professionals Insight- Series 3 issued by Valuation Standards Board of ICAI Registered Valuers Organisation (ICAI RVO).
- Chapter on 'Special Purpose Acquisition Company – An Alternative to Traditional IPO's' published in Valuation Professionals Insight- Series 6 issued by Valuation Standards Board of ICAI Registered Valuers Organisation (ICAI RVO).
- Online Course on "Corporate Assets Valuation under Insolvency and Bankruptcy Code" hosted on ebclearning.com, an e-learning platform of Eastern Book Company.
- Article on Decline in Corporate Tax Rate; Increase in Business Valuation.
- Article on Success mantra to build a sustainable enterprise SaaS start-up.

### Speaker

- Guest faculty in session on "Intangible Assets and Option Valuations", as part of 50 hours educational course on valuation organized by ICAI RVO at Pune.
- Guest faculty in session on "Valuation - Overview and Techniques", as part of 50 hours educational course on valuation organized by ICAI RVO at Ludhiana.
- Guest faculty in session on "Intangible Assets and Option Valuations", as part of 50 hours educational course on valuation organized by ICAI RVO at Hyderabad.
- Guest faculty in session on "Professional Ethics, and Indian Accounting Standard (Ind AS) 113, Fair Value Measurement", as part of 50 hours educational course on valuation organized by ICAI RVO at Nagpur.

- Guest faculty in session on “Valuation - Overview and Techniques”, as part of 50 hours educational course on valuation organized by ICAI RVO at Mumbai.
- Guest faculty in session on “Intangible Assets and Option Valuations”, as part of 50 hours educational course on valuation organized by ICMAI Registered Valuer Organisation at Jaipur.
- Guest faculty in session on “Valuation - Overview and Techniques”, as part of 50 hours educational course on valuation organized by ICAI RVO at Visakhapatnam.
- Guest faculty in session on “Valuation - Overview and Techniques”, as part of 50 hours educational course on valuation organized by ICAI RVO at Chandigarh.
- Guest faculty in session on “Start-up Valuation” organized by International Management Institute, New Delhi.
- Guest faculty in session on “Business Valuation” organized by International Management Institute, New Delhi.
- Speaker for 10-day webinar course on business valuations approaches and adjustments conducted by HPCL–Mittal Energy Limited for its corporate finance team.
- Speaker in Webinar “COVID 19 - Impact on Valuations” organized by ebclearning.com, an e-learning platform of Eastern Book Company.
- Guest speaker in session on “ICAI Valuation Standards” organized by Gurugram Branch of NIRC of ICAI.
- Speaker in session on “Mean of Finance” organized by Amritsar Branch of NIRC of ICAI.
- Participated as a delegate in “6th Edition of Business Valuation Summit 2019” conducted by I-Deals Network held in Delhi.
- Speaker in Webinar “Asset Impairment Testing” organized by Gurugram Branch of NIRC of ICAI.
- Speaker in Webinar “COVID 19 - Impact on Valuations” as part of Continuous Educational Programme by Divya Jyoti Foundation RVO
- Guest faculty in session on “Valuation - Overview and Techniques”, as part of 50 hours online educational course on valuation organized by Divya Jyoti Foundation RVO.
- Speaker in Webinar “Asset Impairment Testing” as part of Continuous Educational Programme by Divya Jyoti Foundation RVO
- Guest faculty in session on “Intangible Asset Valuation” as part of Continuous Educational Programme by ICAI RVO.
- Guest faculty in session on “Due Diligence in Valuation” as part of Continuous Educational Programme by ICAI RVO.
- Speaker for workshop on “Valuation of Start-Ups and Case Studies on Valuation” organized by The Singapore Chapter of ICAI in Singapore.

  Speaker in the session “Valuation Essentials” organized by The Singapore Chapter of ICAI in Singapore.