

ANX-8 (124)

GANESH NATARAJAN
Registered Valuer (Securities and Financial Assets)

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To,

The Board of Directors, Man Structural Private Limited Near Loco, Post Box. No. 189, Jaipur - 302 006, Rajasthan.	The Board of Directors, Indo Man Structural Private Limited Near Loco, Post Box. No. 189, Jaipur - 302 006, Rajasthan.
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Sub: Recommendation of Swap ratio for the purpose of the proposed scheme of arrangement between **Man Structural Private Limited** (hereinafter referred to as "MSPL" or "Demerged Company" or "Transferor Company") and **Indo Man Structural Private Limited** (hereinafter referred to as "IMSPL" or "Resulting company" or "Transferee Company") and their respective shareholders and creditors under the provisions of the Companies Act, 2013 and the rules made there under ("the Proposed Scheme of Arrangement")

Dear Sirs,

I refer to the engagement/appointment letter whereby, the management of Man Structural Private Limited has appointed me, Ganesh Natarajan, Registered Valuer (hereinafter referred to as "RV") vide engagement letter dated 12.09.2025 for the recommendation of the fair equity share exchange ratio (hereinafter referred to as "**Fair Equity Share Exchange Ratio**") for the demerger of Demerged Undertaking (defined below) of MSPL in to IMSPL, vide the Proposed Scheme of Arrangement.

The Fair Equity Share Exchange Ratio for this report ("**Report**") refers to the number of equity shares of IMSPL of face value of INR 10/- each, which would be issued to equity shareholders of MSPL as consideration for the demerger of Demerged Undertaking of MSPL into IMSPL, pursuant to the Proposed Scheme of Arrangement.

RV hereinafter referred to as "Valuer" or "I" or "me" in this Report.

1. SCOPE AND PURPOSE OF THIS REPORT

- 1.1 MSPL is a private limited company incorporated under the provisions of the Companies Act, 1956 vide CIN: U27107RJ1970PTC001305 & certificate of Incorporation dated 12/06/1970, issued by Registrar of Companies, Jaipur. The company is having its registered office at Near Loco, Post Box. No. 189, Jaipur - 302 006, Rajasthan.
- 1.2 The main objects *inter alia* include to carry on the business of all or any of iron and steel foundries, manufacturers of towers and transmission lines, mechanical, civil, electrical, general and structural engineers and contractors, and ally steel; manufacturers/processors of automobile components, alloys, nuts, bolts, nails, steel, all type of hardware items, springs, grease cups, grease nipples, oil cups and rounds, boilers, architectural fittings, sanitary fittings, pipe and pipe fittings, metallurgists, gas and electrical engineers and to buy, take on lease or hire, sell, import, export, manufacture, repair, convert, let on hire or otherwise deal in such products, their raw materials, stores, packing materials, by-products and allied commodities, machineries, implements and tools.
- 1.3 IMSPL is a private limited company incorporated under the provisions of the Companies Act, 1956 vide CIN: U27109RJ2008PTC027800 & certificate of Incorporation dated 20/11/2008. The company's registered office is located at Near Loco, Post Box. No. 189, Jaipur - 302 006, Rajasthan. The main objects are to carry on *inter alia* the business of all or any of iron and steel foundries, manufacturers of tow and transmission lines, civil, electrical, general and structural engineers and contracts and alloy steel, manufacturers, processors of automobile components, alloys, nut, bolts, nails, steel structural fittings, sanitary fittings, pipe and pipe fittings, Metallurgists, gas and electrical



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engineers and to buy, take on lease or on hire, sell, import, export, manufacture, repair, convert, let on hire otherwise deal in such products, their raw materials, stores, packing materials, by-products and allied commodities, machineries, implements and tools.

- 1.4 The management of MSPL is considering demerging its Manufacturing Business undertaking ("**Demerged Undertaking**") into IMSPL.
- 1.5 I have been informed that the Demerged Undertaking will be transferred to IMSPL and in consideration, equity shares of IMSPL would be issued to the equity shareholders of MSPL and the existing equity shares would be cancelled.
- 1.6 For the aforesaid purpose, MSPL has appointed me to submit a joint report on the Fair Equity Share Exchange Ratio for the consideration of the Board of Directors (the "Boards") of the respective Companies as required under the provisions of the Companies Act, 2013 and other applicable laws and rules issued thereunder.
- 1.7 The scope of my services is to conduct a relative valuation (not an absolute valuation) of the equity shares of the Companies, without considering the effect of Proposed Scheme of Arrangement and recommending a Fair Equity Share Exchange Ratio for the Proposed Scheme of Arrangement.
- 1.8 This Report will be placed before the Boards of the respective Companies, as applicable, and, to the extent mandatorily required under applicable laws of India. This Report may be required to be produced before the judicial, regulatory or government authorities, shareholders in connection with the Proposed Scheme of Arrangement under applicable laws.
- 1.9 I have received information and clarification, from their respective Companies and have worked independently.
- 1.10 I have considered financial information up to 31st March 2025 and made adjustments for additional facts made known to me till the date of my Report which will have a bearing on the valuation analysis to the extent considered appropriate. Further, the Managements have informed me that all material information impacting the Companies have been disclosed to me.
- 1.11 The Managements have informed me that,
 - a) There would not be any capital variation in the Companies till the Proposed Scheme of Arrangement becomes effective without the approval of the shareholders;
 - b) Neither Companies would declare any dividend which are either materially different than those declared in the past few years or having materially different yields.
 - c) There are no unusual / abnormal events in both the Companies since the last result declaration date till the Report date materially impacting their operating/ financial performance.
 - d) Management of both the Companies have provided the audited Financial statements of MSPL & IMSPL as on 31st March 2025 and current shareholding pattern of MSPL & IMSPL.
 - e) Such other information and explanations as required, and which have been provided by the managements of both the companies.I have relied on the above while arriving at the Fair Equity Share Exchange Ratio for the Proposed scheme of Arrangement.
- 1.12 This Report is the deliverable in respect of the recommendation of the Fair Equity Share Exchange Ratio for the Proposed Scheme of Arrangement.
- 1.13 This opinion is based on prevailing market, economic and other conditions as at the date of this Report. These conditions can change over relatively short periods of time. Any subsequent Changes in these conditions could have an impact on my opinion. I do not undertake to update this report for events or circumstances arising after the date of this report.
- 1.14 This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

2. **SOURCES OF INFORMATION**

- 2.1 In connection with this exercise, I have used the following information about the Companies as received from the Managements in either oral or in written form and/or gathered from public domain:
 - a) Salient features of the proposed scheme of arrangement.
 - b) Annual Reports for the year ended 31st March 2022, 31st March 2023, 31st March 2024 & 31st



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March 2025;

- c) Projected financial statements for the years ended 31st March 2026 to 31st March 2030.
 - d) Other relevant information.
- 2.2 During the discussions with the Managements, I have also obtained information and explanation considered necessary and relevant for the exercise.
 - 2.3 I have prepared this Report from information provided by and from discussions with the Managements.
 - 2.4 I have not verified the accuracy, reliability and competence of the information provided and the procedures that I used to perform the work did not constitute an audit or review made under any generally accepted accounting standard.
 - 2.5 The Companies have been provided with the opportunity to review the draft Report (excluding the recommended Fair Equity Share Exchange Ratio) for this engagement to make sure that factual inaccuracies and omissions are avoided in my final Report.

3. PROCEDURES ADOPTED FOR THE PURPOSE OF THE VALUATION

I have performed the valuation analysis, to the extent applicable, in accordance with Indian Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ("IVS"). In connection with this analysis, I have adopted the following procedures to carry out the valuation analysis:

1. Requested and received financial and qualitative information relating to the companies.
2. Obtained and analyzed data available in public domain, as considered relevant by me.
3. Discussed with the management and representatives of the respective Companies on understanding of the business and fundamental factors affecting the Companies.
4. Undertook industry analysis:
 - a) Research publicly available market data including economic factors and industry trends that may impact the valuation.
 - b) Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any using proprietary databases subscribed by me.
5. Analysis of other publicly available information.
6. Selection of valuation approach and valuation methodology/ (ies), in accordance with IVS, as considered appropriate and relevant by me.
7. Determination of relative values of the equity shares of the Companies.
8. Further, at the request of respective Managements, I have had discussions with fairness opinion providers appointed by respective Companies on the valuation approach adopted and assumptions made.

4. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

- 4.1 Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than valuation date of 31st March 2025 ("Valuation Date") mentioned in the Report and as per agreed terms of my engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- 4.2 This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of my engagements; (ii) the Valuation Date and (iii) are based on the financial information of the Companies till 31st March 2025. The Managements has represented that the business activities of MSPL and other parties to the scheme have been carried out in normal and ordinary course between 31st March 2025 and the date of this report and that no material changes have occurred in their respective operations and financial position between 31st March 2025 and the date of this report except those which are specifically dealt with in this report.



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- 4.3 A valuation or determination of share exchange ratio of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. This Report is issued on the understanding that the Managements have drawn my attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on my opinion, on the Fair Equity Share Exchange Ratio for the Proposed scheme of arrangement as on the Valuation Date.
- 4.4 I have no responsibility to update the Report for any events and circumstances occurring after the date of the Report. The valuation analysis was completed on a date subsequent to the Valuation Date and accordingly I have taken into account such valuation parameters and over such period, as I considered appropriate and relevant, up to a date close to Valuation Date.
- 4.5 This Report is intended only for the sole use and information of the respective Boards of the Companies and only in connection with the proposed scheme of arrangement including for the purpose of obtaining regulatory approvals, as required under applicable laws of India.
- 4.6 This Report and the information contained herein are absolutely confidential and is prepared on for the stated purposes in this report. This Report should not be copied, disclosed, circulated, quoted or referred to either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without my written consent. The Companies are required to submit this Report to regulatory or judicial authorities, government authorities, stock exchanges, courts, shareholders, their professional advisors including merchant bankers providing the fairness opinion on the Fair Equity Share Exchange Ratio in connection with the Proposed Scheme of Arrangement to the extent mandatorily required under applicable laws of India I hereby consent to such disclosure of this Report, on the basis that I owe responsibility only to the Boards of the respective Companies that have engaged me, under the terms of my engagement, and no other person; and that, to the fullest extent permitted by law, I accept no responsibility or liability to the shareholders of the Companies or any other party, in connection with this Report. The results of my valuation analysis and my Report cannot be used or relied by the Companies for any other purpose or by any other party for any purpose whatsoever.
- 4.7 I am not responsible to any other person /party for any decision of such person / party based on this report. Any person / party Intending to provide finance / invest in the shares / business of the Companies / their holding companies / subsidiaries / associates / investee companies / other group companies, if any, 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. If any person / party (other than the Companies) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to the valuers.
- 4.8 For the purpose of opining on the relative valuation of the Companies and the Fair Equity Share Exchange Ratio, I have used financial and other information provided by the Managements and the information that was publicly available, sourced from subscribed databases and formed substantial basis for this Report which I believe to be reliable and conclusions are dependent on such information being complete and accurate in all material aspects. While information obtained from public domain or external sources have not been verified for authenticity, accuracy or completeness, I have obtained information as far as possible, from sources generally considered to be reliable. I assume no responsibility for such information. My scope of work refrains me to accept responsibility for the accuracy and completeness of the financial and other information provided to me by the Managements. My conclusion on value assumes that the assets and liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the Report date.
- 4.9 In accordance with the terms of the engagement letter and in accordance with the customary approach adopted in valuation exercises, I have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical and projected financial information, if any, provided to me regarding the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any. Accordingly, I do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the historical financials / financial statements and projections. The assignment did not involve me to conduct the financial, legal, regulatory, tax, accounting, and actuarial or technical feasibility study. I have not done any independent



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- technical valuation or appraisal or due diligence of the assets or liabilities of the Companies. Also, with respect to explanations and information sought from the Managements, I have been given to understand by the Managements that they have not omitted any relevant and material factors about the Companies and that they have checked the relevance or materiality of any specific information to the present exercise with me in case of any doubt
- 4.10 My conclusion is based on the assumptions and information given to me by/on behalf of the Companies. The respective Managements of the Companies have indicated to me that they have understood that any omissions, inaccuracies or misstatements may materially affect my valuation analysis/results. Accordingly, I assume no responsibility for any errors in the information furnished by the Managements and their impact on the report.
- 4.11 It should be noted that I have examined the Fair Equity Share Exchange Ratio for the proposed scheme of arrangement and not examined any other matter including economic rationale for the proposed scheme of arrangement per se or accounting, legal or tax matters involved in the proposed scheme of arrangement.
- 4.12 Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither me, nor any of the partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. I expressly disclaim any and all liabilities, which may arise based upon the information used in this report.
- 4.13 The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except 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 litigation and other contingent liabilities that are not recorded in the audited / unaudited balance sheets of the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any.
- 4.14 This Report is not/nor should it be construed as my opining or certifying the compliance of the Proposed Scheme of Arrangement with the provisions of any law / standards including companies, foreign exchange regulatory, securities market, accounting and taxation (including transfer pricing) laws / standards or as regards any legal, accounting or taxation implications or issues arising from such Proposed Scheme of Arrangement.
- 4.15 This Report is not/nor should it be construed as my recommendation on the Proposed Scheme of Arrangement or anything consequential thereto / resulting therefrom. My scope of work is limited to expression of my view on the relative value and the Fair Equity Share Exchange Ratio. This Report does not address the relative merits of the Proposed Scheme of Arrangement as compared with any other alternatives or whether or not such alternatives could be achieved or are available. Any decision by the Companies / their shareholders / creditors regarding whether or not to proceed with the Proposed Scheme of Arrangement shall rest solely with them. I express no opinion or recommendation as to how the shareholders / creditors of the Companies should vote at any shareholders' / creditors' meeting(s) to be held in connection with the Proposed Scheme of Arrangement this Report does not in any manner address, opinion or recommend the prices at which the securities of the Companies could or should transact at following the announcement / consummation of the Proposed Scheme of Arrangement. This report and the opinion / valuation analysis contained herein is not/nor should it be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities or as providing management services or carrying out management functions. It is understood that this analysis does not represent a fairness opinion
- 4.16 I express no opinion on the achievability of the forecasts, if any, relating to the Companies given to me by the Managements.
- 4.17 I have not conducted or provided an analysis or prepared a model for any individual assets / liabilities and have wholly relied on Information provided to me by the Managements in that regard.
- 4.18 The fee for the valuation analysis and the Report is not contingent upon the results reported.
- 4.19 This Report is subject to the laws of India.



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4.20 Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.

5. SHARE CAPITAL DETAILS OF THE COMPANIES

5.1 Man Structural Private Limited

Based on the share capital of MSPL as at 31.03.2025, I have considered the equity share capital of MSPL of Rs. 4,65,14,400 consisting of 46,51,440 equity shares of face value of INR 10/- each fully paid up for the purpose of ascertaining Fair Equity Exchange ratio. There is no change in shareholding till the date of this report.

5.2 Indo Man Structural Private Limited

Based on the share capital of IMSPL as at 31.03.2025, I have considered the equity share capital of IMSPL of Rs. 5,50,000 consisting of 55,000 equity shares of face value Rs. 10/- each fully paid up for the purpose of ascertaining Fair Equity Exchange ratio. There is no change in shareholding till the date of this report.

6. VALUATION METHODOLOGIES

6.1 METHODS OF VALUATION

The following methodologies are normally used for valuation of companies:

- Net Assets Value Method- Intrinsic Value Basis
- Discounted Cash Flow (DCF) Method
- Market Value Method
- Net Assets Value Method- Book Value Basis
- Comparable Companies Multiple Method

6.2 NET ASSETS VALUE METHOD – INTRINSIC VALUE BASIS

Net Assets Value – Intrinsic Value basis takes into account the fair market values of the assets of the entity to obtain the Intrinsic Value of the shares. This method of valuation is suitable when the assets are agreed to be taken over at fair value. There is no such understanding between the Transferor and Transferee companies to transfer the assets at fair value in this Scheme of arrangement. Hence this method is not suitable.

6.3 DISCOUNTED CASH FLOW (DCF) METHOD

a) Maintainable Profit Method (Discounted Cash Flows – “DCF”)

DCF uses the future free cash flows of the company discounted by the firm's weighted average cost of capital (the average cost of all the capital used in the business, including debt and equity), plus a risk factor measured by beta, to arrive at the present value.

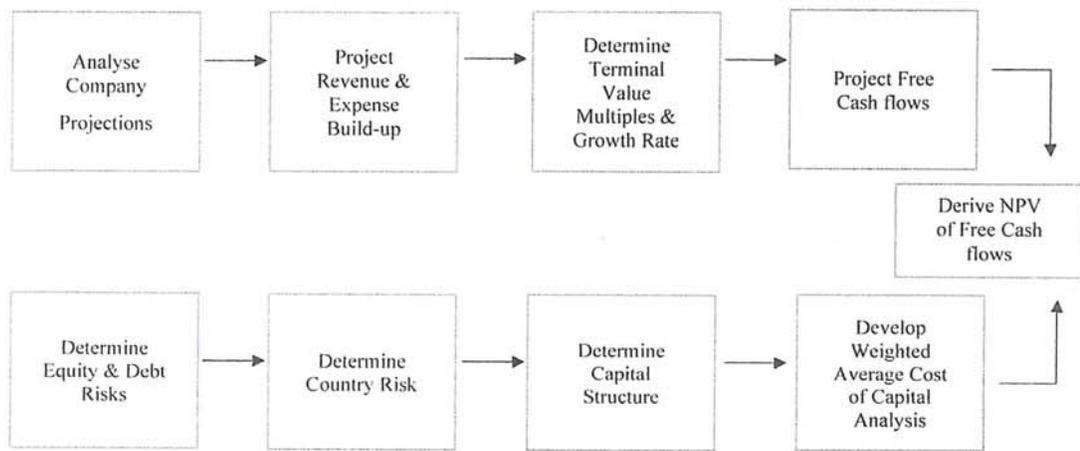
Beta is an adjustment that uses historic stock market data to measure the sensitivity of the company's cash flow to market indices, for example, through business cycles.

The DCF method is a strong valuation tool, as it concentrates on cash generation potential of a business. This valuation method is based on the capability of a business to generate cash flows in the future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a company's cost of capital and the risk associated with the cash flows it generates. DCF analysis is based mainly on the following elements:

- Projection of financial statements (key value driving factors)
- The cost of capital to discount the projected cash flows



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For the purpose of valuation, I have adopted DCF method taking into consideration the projected cash flows of the demerged undertaking for the next 5 years i.e. from Financial years 2025-26 to 2029-30.

6.4 MARKET VALUE METHOD

The market value method is generally the most preferred method in case of frequently traded Equity shares of Companies listed on Stock Exchanges having nationwide trading as it is perceived that the market value takes into account the potential of any company. This method is not used for the purpose of valuation as the Demerged Company as well as the Resultant Company are not listed in any recognized stock exchange.

6.5 NET ASSETS VALUE METHOD – BOOK VALUE BASIS

Under this method the book value of the assets and liabilities of the Company are taken for the purpose of determination of the value of the shares. This method of valuation is suitable when the assets of the demerged undertaking are agreed to be taken over by the Resulting company at their book values. The NAV-Book value method is a good indicator of the Net Assets Value of the business. This method is used for valuation of Transferee Company.

6.6 COMPARABLE COMPANIES' MULTIPLE METHOD

Under this method, the price to book value multiples of comparable companies in the same industry in the recent past are applied to the book value of the business being valued. As the intention of the demerger is to synergize and optimize the resources of Transferor and Transferee Companies, this method can be used subject to availability of multiples of comparable listed companies. As multiples of comparable listed companies are available, this method is used for valuation of Demerged undertaking.

7. METHOD OF VALUATION ADOPTED

For the purpose of the subject Demerger, I have used average of Discounted Cash Flow method and Comparable Companies P/B multiple method and determined the value of the Demerged Undertaking. I have used the paid-up value per share for valuation of Resulting entity as the net worth of the Resulting entity is negative. I have calculated the values under the DCF method as follows:



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SUMMARY OF VALUATION OF DEMERGED UNDERTAKING			
(Amount in Rs. Lakhs)			
Method	Value of the demerged entity	Weight	Value * Weight
DCF Method (Annex - I)	7,499.29	0.50	3,749.64
CCM Method (Annex - II)	9,861.38	0.50	4,930.69
Book Value Method [#] (Annex - III)	6,665.47	-	-
Weighted Average Value of Demerged Undertaking			8,680.33

[#]Though Book value of the Demerged undertaking is computed, the same is not considered for valuation as the same is based on cost approach of valuation which is relevant only when there is no going concern assumption.

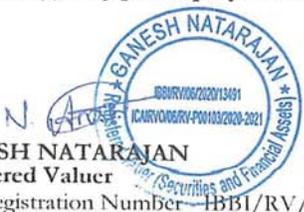
VALUE OF EQUITY SHARES OF INDO MAN STRUCTURALS PRIVATE LIMITED (RESULTANT COMPANY)	
Method of Valuation	Value of Shares as on the date of this report (In Rs. Lakhs)
Net Assets Value – Book Value method (Annex –IV)	0.34
No. of Equity shares in Indo Man Structurals Private Limited	55,000
NAV per share	0.63
Value per share – paid-up value	10.00

8. EXCHANGE RATIO

8.1 The Management suggested that they desire to issue 1 (One) share of Rs. 10 each fully paid up of M/s Indo Man Structurals Private Limited for every 1 (One) share of Rs. 10 each fully paid up of M/s. Man Structurals Private Limited. Accordingly, 46,51,439 shares of Rs. 10 each fully paid-up of M/s Indo Man Structurals Private Limited would be issued to the shareholders of M/s. Man Structurals Private Limited.

8.2 Considering the fact that the shares are held by same group of shareholders and in same proportion in both Demerged Company and Resulting Company and that these shareholders will be receiving the shares in same proportion of their holding, the demerger of undertaking will be value-neutral to the Companies and their shareholders. Therefore, the entitlement ratio in the event of demerger of demerged undertaking from M/s. Man Structurals Private Limited as suggested by the Management as under is fair:

In consideration of the demerger of Demerged Undertaking, One (1) equity share of Rs. 10 each fully paid up of M/s. Indo Man Structurals Private Limited would be issued for every One (1) fully paid equity shares of Rs. 10 each held in M/s. Man Structurals Private Limited.


N. GANESH Natarajan
Registered Valuer
IBBI Registration Number - IBBI/RV/06/2020/13491
ICAI RVO Number - ICAIRVO/06/RV-P00103/2020-2021
UDIN - 25233882BMFXUT6420
Place: Chennai
Date: 15th September, 2025

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