

VALUATION REPORT

on

Equity Shares for Preferential Allotment

DHRUV CONSULTANCY SERVICES LIMITED

Nikunj Kanodia

Registered Valuer – Securities & Financial Assets

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Valuation Analysis

We refer to our Engagement dated 28th June 2024 as Independent Valuers of **Dhruv Consultancy Services Limited** (the “Company”). In the following paragraphs, we have summarized our valuation Analysis (the “Analysis”) of the business of the Company as informed by the management and detailed herein, together with the description of the methodologies used and limitation on our scope of work.

1 Context and Purpose

Based on discussion with the management, we understand that the Company’s management are evaluating the possibility of preferential allotment of equity shares. In the context of these proposed transactions, the management requires our assistance in determining the **Value of Equity Shares** of the Company as per Chapter V the SEBI (ICDR) Regulations, Companies Act 2013 and others acts, rules and regulations relevant for the said issue.

Proposed Transaction:

During the financial year 2024-2025, Company is evaluating the possibility of preferential allotment of equity shares. In this context, the management of **Dhruv Consultancy Services Limited** (the “Management”) has requested us to estimate the value of the Equity Shares. - “Proposed Transaction”.

2 Conditions and major assumptions

Conditions

The historical financial information about the Company presented in this report is included solely for the purpose to arrive at value conclusion presented in this report and it should not be used by anyone to obtain credit or for any other unintended purpose. Because of the limited purpose as mentioned in the report, it may be incomplete and may contain departures from generally accepted accounting principles prevailing in the country. We have not audited, reviewed or compiled the financial statements and express no assurance on them.

Readers of this report should be aware that a business valuation is based on future earnings potential that may or may not be materialised. Any financial projection e.g. projected balance sheet, projected profit & loss account, projected cash flow statements as presented in this report are included solely to assist in the development of the value conclusion. The actual results may vary from the projections given, and the variations may be material, which may change the overall value.



This report is only to be used in its entirety, and for the purpose stated in the report. No third parties should rely on the information or data contained in this report without the advice of their lawyer, attorney or accountant.

We acknowledge that we have no present or contemplated financial interest in the Company. Our fees for this valuation are based upon our normal billing rates, and not contingent upon the results or the value of the business or in any other manner. We have no responsibility to modify this report for events and circumstances occurring subsequent to the date of this report.

We have, however, used conceptually sound and generally accepted methods, principles and procedures of valuation in determining the value estimate included in this report. The valuation analyst, by reason of performing this valuation and preparing this report, is not to require to give expert testimony nor to be in attendance in court or at any government hearing with reference to the matters contained herein, unless prior arrangements have been made with the analyst regarding such additional engagement.

Assumptions

The opinion of value given in this report is based on information provided by the management of the Company and other sources as listed in the report. This information is assumed to be accurate and complete.

We have relied upon the representations contained in the public and other documents in our possession 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 owner has good title to all the assets.

We have also assumed that the business will be operated prudently and that there are no unforeseen adverse changes in the economic conditions affecting the business, the market, or the industry. This report presumes that the management of the Company will maintain the character and integrity of the Company.

We have been informed by the management that there are no Significant lawsuits or any other undisclosed contingent liabilities which may potentially affect the business, except as may be disclosed elsewhere in this report. We have assumed that no costs or expenses will be incurred in connection with such liabilities, except as explicitly stated in this report.

3 Background of the Company

Dhruv Consultancy Services Limited (“DCSL”) is a listed Public company limited by shares incorporated on 26th August, 2003 having CIN: L74999MH2003PLC141887 and having

Nikunj Kanodia

Practising Chartered Accountant
Registered Valuer – Securities and Financial Assets

Registered Office Address at 501, Pujit Plaza, Palm Beach Road, Sector - 11, Opp. K-Star Hotel, Near Cbd Station, Cbd, Belapur, Navi Mumbai, Maharashtra, India, 400614. It is classified as Non-government/ company and is registered at Registrar of Companies, Mumbai. Its authorized share capital is Rs. 20,00,00,000 and its paid-up capital is Rs. 15,88,87,690. The company is listed with BSE since 10th May 2018 and on NSE since 25th November 2021.

The company is engaged in the business of consultancy services.

Directors and Key Managerial Persons

DIN/PAN	Name	Designation
01202414	Pandurang Balkrishna Dandawate	Director
09684126	Ashokkumar Nagesh Katte	Director
02852334	Jayashri Pandurang Dandawate	Director
08049384	Sudhir Arjun Shringare	Director
01779289	Sandeep Balkrishna Dandawate	Whole-time director
07618878	Tanvi Tejas Auti	Managing Director
****0527Q	Raja Mukherjee	CEO
****8068R	Snehal Laxman Patil	CFO
09680618	Saleem Kutubuddin Wadgaonkar	Director
****4660F	Ankit Dhondibhau Sonawane	Company Secretary
10486919	Sharadchandra Kamalakar Chaphalkar	Director

4 Valuation Premise

The premise of value for our analyses is going concern value as there is neither a planned or contemplated discontinuance of any line of business nor any liquidation of the Company.

5 Valuation Date

The Analysis of the Value of Equity shares of the **Dhruv Consultancy Services Limited** of the Company has been carried out based on the trading days as per Regulation 164 of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements), 2018. The value arrived is as on close of trading hours of 26th June 2024.

6 Valuation Standards

The Report has been prepared in compliance with the internationally accepted valuation standards and valuation standard adopted by RVO Estate Managers and Appraisers Foundation Registered Valuers' Organisation.



7 Valuation Methodology and Approach

The standard of value used in the Analysis is "Fair Value", which is often defined as the price, in terms of cash or equivalent, that a buyer could reasonably be expected to pay, and a seller could reasonably be expected to accept, if the business were exposed for sale on the open market for a reasonable period of time, with both buyer and seller being in possession of the pertinent facts and neither being under any compulsion to act.

Valuation of a business is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be prepared to pay a substantial goodwill. This exercise may be carried out using various methodologies, the relative emphasis of each often varying with:

- whether the entity is listed on a stock exchange
- industry to which the Company belongs
- past track record of the business and the ease with which the growth rate in cash flows to perpetuity can be estimated
- Extent to which industry and comparable Company information is available.

The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue.

The Analysis is based on a review of the business plan of the Company provided by the Management and information relating to sector as available in the public domain. Specifically, the sources of information include:

- Trading Data of the company from the BSE and NSE Website.
- Public Information available from BSE and NSE Website and other public domains.
- Details of Shareholding and numbers of fully diluted Equity Shares as on valuation date;
- Discussions with the Management / representative of the Company;
- All Company specific information were sourced from the management of the Company, either in the written hard copy or digital form;
- Other information / data available in public domain.

In addition to the above, we have also obtained such other information and explanations from the Company as were considered relevant for the purpose of the valuation. It may be mentioned that the Management has been provided the opportunity to review our draft report as part of our standard practice to make sure that factual inaccuracies are avoided in our final report.

For the purpose of our calculation in this engagement, we have based our calculation as prescribed by Regulation 164 and 166A of the SEBI (ICDR) Regulations, 2018

As per Regulation 164(5) of SEBI (ICDR) Regulations, 2018:

For the purpose of this Chapter, “frequently traded shares” means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer:

Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.

Explanation: For the purpose of this regulation, ‘stock exchange’ means any of the recognised stock exchange(s) in which the equity shares of the issuer are listed and in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 205[90 trading days] prior to the relevant date.

As per Regulation 164(1) of SEBI (ICDR) Regulations, 2018:

If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

- a. the 90 trading days of the volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or*
- b. the 10 trading days of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.*

As per Regulation 166A of SEBI (ICDR) Regulations, 2018:

(1) Any preferential issue, which may result in a change in control or allotment of more than five per cent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price:

Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be, or the price determined under the valuation report from the independent registered valuer or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable:



Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso:

Dhruv Consultancy Services Limited is listed since 10th May' 2018 and on NSE since 25th November 2021 i.e. more than 90 trading days as on the relevant date.

Also, the total traded turnover on BSE and NSE during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer.

8 Caveats

Provision of valuation recommendations and considerations of the issues described herein are areas of our regular corporate advisory practice. The services do not represent accounting, assurance, financial due diligence review, consulting, transfer pricing or domestic/international tax-related services that may otherwise be provided by us.

Our review of the affairs of the Company and their books and account does not constitute an audit in accordance with Auditing Standards. We have relied on explanations and information provided by the Management of the Company and accepted the information provided to us as accurate and complete in all respects. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided. Nothing has come to our attention to indicate that the information provided had material misstatements or would not afford reasonable grounds upon which to base the Report.

The report is based on the financial projections provided to us by the Management of the company and thus the responsibility for forecasts and the assumptions on which they are based is solely that of the Management of the Company and we do not provide any confirmation or assurance on the achievability of these projections. It must be emphasized that profit forecasts necessarily depend upon subjective judgement. Similarly, we have relied on data from external sources. These sources are considered to be reliable and therefore, we assume no liability for the accuracy of the data. We have assumed that the business continues normally without any disruptions due to statutory or other external/internal occurrences.

The valuation worksheets prepared for the exercise are proprietary to the valuer and cannot be shared. Any clarifications on the workings will be provided on request, prior to finalizing the Report, as per the terms of our engagement.



The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them.

The Valuation Analysis contained herein represents the value only on the date that is specifically stated in this Report. This report is issued on the understanding that the Management of the Company has drawn our attention to all matters of which they are aware, which have an impact on our report up to the date of signature. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

We have no present or planned future interest in the Company and the fee for this Report is not contingent upon the values reported herein.

Our Valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any transaction with the Company.

9 Distribution of Report

The Analysis is confidential and has been prepared exclusively for **Dhruv Consultancy Services Limited** for their use and purpose. It should not be used, reproduced or circulated to any other person or for any purpose other than as mentioned above, in whole or in part, without the prior written consent of the valuer. Such consent will only be given after full consideration of the circumstances at the time. However, we do understand that the report will be shared with the investor / buyers of the Company / submission to government authorities and regulators towards statutory compliances.



10 Opinion on Value of Equity Shares:

Based on our valuation exercise, the **minimum issue price** of the equity shares **as at the close of trading hours of the date preceding the relevant date (27th June 2024) i.e. 26th June 2024** is **INR 107.76** per share, computed as follows:

Higher of:

	NSE	BSE
Volume Weighted Average Price of 10 Trading days	103.86	99.41
Volume Weighted Average Price of 90 Trading days	107.04	107.76

We trust the above report meets your requirements. Please feel free to contact us in case you require any additional information or clarifications.

Yours faithfully




Nikunj Kanodia
Practising Chartered Accountant
M No. 069995
Registered Valuer - Securities or Financial Assets
(Reg No: IBBI/RV/01/2020/13470)

July 02, 2024
Mumbai

11 Annexures

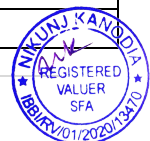
Market Value Method

Higher of	NSE	BSE
Volume Weighted Average Price of 10 Trading days:	103.86	99.41
Volume Weighted Average Price of 90 Trading days:	107.04	107.76

PRICE AS PER REG 164:

NATIONAL STOCK EXCHANGE

(A) Date	(B) Total Turnover (Rs.)	(C) Nos. of Shares	(D) Sum of Total Turnover	(E) Sum of Nos. of Shares Traded	(F) Average VWAP [D/ E]
26-Jun-24	14,47,737	12932			
25-Jun-24	8,95,971	8163			
24-Jun-24	17,67,925	16429			
21-Jun-24	8,30,579	7881			
20-Jun-24	9,47,967	9080			
19-Jun-24	11,22,047	10950			
18-Jun-24	8,29,720	8281			
14-Jun-24	12,25,372	12398			
13-Jun-24	11,20,195	11556			
12-Jun-24	6,05,916	6253			
10 Trading Days			1,07,93,428	1,03,923	103.86
11-Jun-24	16,33,162	17198			
10-Jun-24	18,14,186	18759			
07-Jun-24	30,84,121	32382			
06-Jun-24	5,40,362	5565			
05-Jun-24	2,03,152	2051			
04-Jun-24	1,59,154	1575			
03-Jun-24	8,42,224	8169			
31-May-24	2,18,500	2077			
30-May-24	2,94,032	2739			
29-May-24	2,82,201	2576			
28-May-24	5,01,873	4486			
27-May-24	4,26,222	3696			
24-May-24	16,30,073	13960			
23-May-24	18,88,665	16345			
22-May-24	8,44,800	7163			
21-May-24	18,63,737	15255			
18-May-24	13,66,892	11579			
17-May-24	22,19,824	18344			
16-May-24	65,82,715	53847			



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Registered Valuer – Securities and Financial Assets

15-May-24	20,07,830	16816			
14-May-24	21,05,171	18507			
13-May-24	15,82,195	14652			
10-May-24	28,52,069	27571			
09-May-24	33,59,957	30857			
08-May-24	34,57,037	32058			
07-May-24	36,48,797	34973			
06-May-24	14,90,925	13797			
03-May-24	11,61,554	10339			
02-May-24	15,21,654	13383			
30-Apr-24	4,72,147	4195			
29-Apr-24	4,11,716	3731			
26-Apr-24	13,92,209	12867			
25-Apr-24	2,48,817	2348			
24-Apr-24	4,53,256	4361			
23-Apr-24	32,04,762	30655			
22-Apr-24	22,85,632	21634			
19-Apr-24	17,62,547	17013			
18-Apr-24	61,57,529	62597			
16-Apr-24	8,98,345	9015			
15-Apr-24	17,09,725	16770			
12-Apr-24	9,53,480	9177			
10-Apr-24	7,11,416	6736			
09-Apr-24	4,16,554	3890			
08-Apr-24	3,95,121	3646			
05-Apr-24	31,32,615	29149			
04-Apr-24	22,07,095	19821			
03-Apr-24	7,76,538	6952			
02-Apr-24	16,29,916	14177			
01-Apr-24	9,86,879	8421			
28-Mar-24	4,31,608	3631			
27-Mar-24	12,68,696	10587			
26-Mar-24	27,48,653	22963			
22-Mar-24	37,92,764	31368			
21-Mar-24	57,87,717	49563			
20-Mar-24	40,77,217	36970			
19-Mar-24	29,07,149	26425			
18-Mar-24	35,99,045	32512			
15-Mar-24	38,36,201	36349			
14-Mar-24	90,30,683	91708			
13-Mar-24	63,64,540	60935			
12-Mar-24	43,14,863	39811			
11-Mar-24	50,05,168	43447			



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Registered Valuer – Securities and Financial Assets

07-Mar-24	76,46,306	64014			
06-Mar-24	58,40,573	47634			
05-Mar-24	2,42,92,631	182750			
04-Mar-24	8,07,20,214	616263			
02-Mar-24	89,04,916	69272			
01-Mar-24	92,60,281	75625			
29-Feb-24	1,27,92,772	109668			
28-Feb-24	9,20,61,023	830642			
27-Feb-24	8,90,48,465	883005			
26-Feb-24	3,54,19,802	391320			
23-Feb-24	48,74,299	56510			
22-Feb-24	71,52,529	82952			
21-Feb-24	1,31,82,404	149352			
20-Feb-24	42,63,167	50091			
19-Feb-24	85,24,882	98924			
16-Feb-24	73,12,513	85912			
15-Feb-24	1,41,83,101	155551			
14-Feb-24	2,46,64,798	270883			
90 Trading Days			59,38,91,786	55,48,434	107.04

BOMBAY STOCK EXCHANGE

(A) Date	(B) Total Turnover (Rs.)	(C) Nos. of Shares	(D) Sum of Total Turnover	(E) Sum of Nos. of Shares Traded	(F) Average VWAP [D/ E]
26-Jun-24	61,685	559			
25-Jun-24	2,705	25			
24-Jun-24	2,22,491	2,097			
21-Jun-24	6,138	59			
20-Jun-24	3,31,662	3,250			
19-Jun-24	4,702	47			
18-Jun-24	14,672	150			
14-Jun-24	26,068	270			
13-Jun-24	6,33,623	6,603			
12-Jun-24	2,07,459	2,142			
10 Trading Days			15,11,205	15,202	99.41
11-Jun-24	11,92,744	12,553			
10-Jun-24	5,21,446	5,402			
07-Jun-24	2,61,129	2,706			
06-Jun-24	1,39,208	1,414			
05-Jun-24	20,090	200			
04-Jun-24	1,09,162	1,065			
03-Jun-24	2,93,994	2,812			

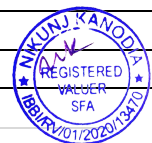


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Registered Valuer – Securities and Financial Assets

31-May-24	51,192	480			
30-May-24	25,568	235			
29-May-24	80,142	722			
28-May-24	2,17,100	1,917			
27-May-24	3,48,729	3,018			
24-May-24	2,78,200	2,400			
23-May-24	5,30,757	4,596			
22-May-24	2,18,532	1,865			
21-May-24	1,81,173	1,518			
18-May-24	1,65,253	1,407			
17-May-24	16,71,659	13,864			
16-May-24	23,63,281	18,749			
15-May-24	39,82,054	32,211			
14-May-24	22,71,652	19,261			
13-May-24	69,23,017	62,808			
10-May-24	1,00,336	963			
09-May-24	2,35,140	2,167			
08-May-24	5,23,116	4,894			
07-May-24	4,26,899	4,103			
06-May-24	6,90,462	6,304			
03-May-24	2,25,782	2,000			
02-May-24	3,75,395	3,315			
30-Apr-24	15,32,853	13,479			
29-Apr-24	3,94,734	3,528			
26-Apr-24	12,20,970	10,991			
25-Apr-24	8,84,728	8,201			
24-Apr-24	60,420	575			
23-Apr-24	6,71,207	6,361			
22-Apr-24	8,36,318	7,832			
19-Apr-24	3,53,740	3,377			
18-Apr-24	8,24,549	8,242			
16-Apr-24	1,19,732	1,189			
15-Apr-24	6,84,570	6,655			
12-Apr-24	3,96,494	3,780			
10-Apr-24	3,92,889	3,685			
09-Apr-24	5,55,145	5,190			
08-Apr-24	10,04,992	9,436			
05-Apr-24	10,30,091	9,518			
04-Apr-24	9,46,342	8,502			
03-Apr-24	3,11,853	2,783			
02-Apr-24	59,890	521			
01-Apr-24	1,55,928	1,327			
28-Mar-24	4,34,643	3,654			



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27-Mar-24	2,22,381	1,878			
26-Mar-24	13,68,500	11,156			
22-Mar-24	5,01,592	4,169			
21-Mar-24	8,87,700	7,555			
20-Mar-24	9,66,415	8,795			
19-Mar-24	2,62,258	2,350			
18-Mar-24	5,98,925	5,481			
15-Mar-24	2,40,092	2,262			
14-Mar-24	15,62,576	15,636			
13-Mar-24	8,50,536	8,017			
12-Mar-24	6,63,924	5,970			
11-Mar-24	10,47,629	8,963			
07-Mar-24	20,16,008	16,548			
06-Mar-24	15,61,645	12,792			
05-Mar-24	42,23,489	31,396			
04-Mar-24	68,88,981	52,074			
02-Mar-24	91,057	710			
01-Mar-24	2,43,200	1,991			
29-Feb-24	2,75,144	2,365			
28-Feb-24	50,94,993	46,059			
27-Feb-24	72,40,749	72,206			
26-Feb-24	30,18,466	33,521			
23-Feb-24	5,76,233	6,765			
22-Feb-24	23,49,815	27,187			
21-Feb-24	30,58,851	34,936			
20-Feb-24	4,87,521	5,712			
19-Feb-24	7,78,744	9,095			
16-Feb-24	7,83,957	9,125			
15-Feb-24	29,23,187	31,649			
14-Feb-24	34,68,242	38,277			
90 Trading Days			9,30,59,315	8,63,617	107.76

