

**MANISH MANWANI**

**Registered Valuer (Securities or Financial Assets)**  
**IBBI Registration No.:** IBBI/RV/03/2021/14113

**Address:** Unit No. 125, Tower B-3,  
Spaze Itech Park, Sohna Road,  
Sector-49, Gurugram, Haryana-122018  
**Mobile:** +91 9911077439  
**Email:** manwanimanish@yahoo.in

Date: February 26, 2023

To,

The Board of Directors  
Standard Capital Markets Limited  
CIN: L74899DL1987PLC027057  
R.O.: 401-A, PP Towers, Netaji Subhash Place,  
Pitampura, Delhi-110034

**Sub: Valuation report on fair value of equity shares as required for the purpose of issue and allotment of equity shares on preferential basis as required under Chapter-V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.**

Dear Sir/ Madam,

I refer to the engagement letter, whereby, Standard Capital Markets Limited (“Company” or “SCML”) has appointed Manish Manwani (“Registered Valuer” or “RV” or “I”) as the Registered Valuer, for evaluation of fair value of equity shares of the Company. I understand that valuation analysis has been required by the management of the Company for the purpose of compliance with the regulatory provisions of the Companies Act, 2013 (“Companies Act”) read with applicable rules framed thereunder and Regulation 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended) (“SEBI ICDR Regulations”).

This cover letter is intended to provide you with an overview of the purpose and scope of my analysis and my conclusions. Please refer to the attached report for a discussion and presentation of the analysis performed in connection with this assignment.

#### **Purpose and Scope**

Based on my discussions with the management of SCML, I understand that the Company wishes to do preferential allotment of equity shares and in this regard, the management of the Company is in requirement to determine the fair value of equity shares, to comply with the requirements laid down under the applicable provisions of the Companies Act, 2013 read with applicable rules framed thereunder and Regulation 166A of Chapter V of SEBI (ICDR) Regulations.

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In this regard, management of SCML requires report on valuation of equity shares of SCML arrived at by a "Registered Valuer" (as defined in Companies Registered Valuers and Valuation Rules, 2017). I understand that this analysis and valuation report will be used by the management of SCML for necessary regulatory compliances as stated above.

The Report has been prepared exclusively for specified purposes as mentioned above and hence should not be used for any other purpose, without obtaining the prior written consent of Valuers. This opinion should not be considered, in whole or in part, as investment advice by anyone.

## Summary of Findings

Based on my valuation analysis of the Company, in my assessment, the fair value per equity share of the Company works out to **INR 32.14/-**. For detailed working kindly refer Exhibits.



**MANISH MANWANI**

ACS & Registered Valuer -SFA

IBBI Membership No: IBBI/RV/03/2021/14113

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## I. ENGAGEMENT OVERVIEW

### 1.1 Purpose and Scope

Based on my discussion with the management of Standard Capital Markets Limited (“**Company**” or “**SCML**”), I understand that the Company wishes to do preferential allotment of equity shares and has appointed Manish Manwani (“**Registered Valuer**” or “**RV**” or “**I**”) as the Registered Valuer, to determine the fair value of equity shares of the Company, to comply with the requirements laid down under the applicable provisions of the Companies Act, 2013 read with applicable rules framed thereunder and Regulation 166A of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended) (“**SEBI ICDR Regulations**”)

### 1.2 About the Valuer

Manish Manwani is an associate member of The Institute of Company Secretaries of India and also registered with Insolvency and Bankruptcy Board of India “**IBBI**” as a Registered Valuer under Securities and Financial Assets Class, having IBBI registration No. IBBI/RV/03/2021/14113.

### 1.3 Bases of Value (Standard of Value)

Value has no meaning until it is defined. In the valuation nomenclature different definitions of value are called bases of value (or standard of value). In terms of IVS (International Valuation Standards), ‘bases of value’ describe the fundamental premises on which the estimate of values is based. In any valuation it is important that the basis (or bases) of value be appropriate to the terms and purpose of the valuation assignment, as a basis of value may influence or dictate a valuer’s selection of methods, inputs and assumptions, and the ultimate opinion of value. The different value conclusion can be attributed to the differences in the definition of value.

In terms of IVS, a valuer is required to select the basis of value and this is typically done based on the definition given in statute, regulation, private contract or another document. The applicable basis of value (or standard of value) for the assignment is the Fair Value.

The term ‘Fair Value’ has been defined in IVS 102 as under:

*“Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date”.*

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## 1.4 Premise of Value

Premise of value refers to the conditions and circumstances how an asset is deployed. Determining the business value depends upon the situation in which the business or a business interest is valued, i.e. the events likely to happen to the business as contemplated at the valuation date. In a given set of circumstances, a single premise of value may be adopted while in some situations multiple premises of value may be adopted.

The present valuation of SCML is undertaken on a **Going Concern Premise** i.e. on the premise that the companies will continue to operate in future and earn cash flows.

## 1.5 Scope of Analysis

My scope of valuation includes fair valuation of equity shares of SCML, certify fair value as arrived for the above-mentioned necessary regulatory compliances in relation to the Companies Act and SEBI ICDR Regulations.

## 1.6 Information Relied Upon

I have based this opinion on information provided and represented by the management of SCML. I have fully relied on the information provided by the Company and do not vouch for the accuracy of the information provided by the management of the Company.

- Interviews with management concerning its assets, financial and operating history and forecasted future operations of the Companies.
- Audited financial statements for FY 2020-21 and FY 2021-22;
- Unaudited financial results for period ended September 30, 2022 and December 31, 2022;
- Other relevant details such as its history, present activities and other information (including verbal) as required from time to time;
- Management representation letter given by the management of SCML.

I have also obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the client or other public available sources.

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## 1.7 Valuation Date

For the fair valuation analysis, the valuation date has been considered as December 31, 2022.

## 1.8 Conflict of Interest

There is no conflict of interest in my opinion on valuation analysis of the businesses as envisaged in this report. My fee is not contingent upon the opinion expressed herein. This report is subject to the terms and conditions as discussed with the management of SCML.

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## II COMPANY OVERVIEW<sup>1</sup>

### Company Background- Standard Capital Market Limited

Standard Capital Market Limited is a listed Company and was incorporated on February 19, 1987. The registered office of the Company is situated at 401-A, PP Towers, Netaji Subhash Place, Pitampura, Delhi-110034.

### Business Overview of the Company:-

Standard Capital Markets Limited, a Non-Deposit accepting NBFC. The company is registered with Reserve Bank of India as NBFC vide Registration Number 14.02891 on 21st March 2003. The company provides a range of financial services, which includes lending of money to individuals and Small and Medium Sized Enterprises, with or without security, dealing in securities/shares of Companies, bonds and units investment in stock markets.

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<sup>1</sup> *Source:* Information provided by the management of the Company.

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## III VALUATION APPROACH AND METHODOLOGY

### 3.1 Valuation Approaches

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. These approaches can be broadly categorized as follows:

1. Asset Approach
2. Income Approach
3. Market Approach

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## 3.1.1 Asset Approach

This method determines the worth of a business by the assets it possesses. It involves examining every asset held by the company, both tangible and intangible. The value of intangibles is referred to as the company's goodwill, the difference in value between the company's hard assets and its true value.

The value arrived at under this approach is based on the financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The Net Asset Value is generally used as the minimum break-up value for the transaction since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern. Pursuant to accounting convention, most assets are reported on the books of the subject company at their acquisition value, net of depreciation where applicable. These values must be adjusted to fair market value wherever possible. Further, the balance sheet values are to be adjusted for any contingent liabilities that are likely to materialize.

Intrinsic value is at the core of fundamental analysis since it is used in an attempt to calculate the value of the total assets of the business and then compare it with the fair value.

## 3.1.2 Income Approach

The income approaches determine fair market value by dividing the benefit stream generated by the subject or target company by a discount or capitalization rate. Usually, under the Income Based Approach, the methods that may be applied are Discounted Cash Flow (DCF) Method or the Price Earning Capacity (PECV) Method.

Under DCF approach, the future free cash flows of the business are discounted to the valuation date to arrive at the present value of the cash flows of the business or capitalized using a discount rate depending on the capital structure of the Company. This approach also takes into account the value of the business in perpetuity by the calculation of terminal value using the exit multiple method or the perpetuity growth method, whichever is appropriate.

Under PECV method, the average earning on the basis of the past 3-5 years is first determined, adjustments are then made for any exceptional transactions or items of non-recurring nature. The adjusted average earnings are then capitalized at an appropriate rate to arrive at the value of business. The capitalization rate so factored has to be decided depending upon various factors such as the earnings trends in the industries. P/E prevailing in the industries etc. After this, the normalized earnings are then capitalized at an appropriate discount rate.

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## 3.1.3 Market Approach

### The Market Approach

Under the Market approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors' perception about the true worth of the company.

### Market Price ('MP') Method

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

### Comparable Companies Multiple Method

Under the Comparable Companies Multiple ('CCM') method, the value is determined on the basis of multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and Informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

To the value of the business so arrived, adjustments need to be made for the value of contingent assets/liabilities, surplus Asset and dues payable to preference shareholders, if any, in order to arrive at the value for equity shareholders.

Each of the described approaches may be used to develop a value indication; however, the appropriateness of these approaches varies with the type of business or asset being valued.

## 3.2 Valuation Methodology Used

### **Asset Approach:**

I have considered Net Asset Value (NAV) Method for determining the fair value of the equity share of the Company and assign the weight for the same.

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## Income Approach:

The projected financial statements of a Company are price sensitive in nature and the same were not made available to me for the fair valuation analysis therefore, I have not applied Discounted Free Cash Flow Method.

Further, I have not applied Profit Earning Capitalization Value (PECV) Method as the historical earnings and profits are minimal and shall not represent the intrinsic value of the Company.

## Market Approach:

I have applied Comparable Companies' Multiple "CCM" method and Market Price Method for determination of fair value of the Company.

## A Comprehensive Overview on Approaches applied:

Asset Approach	Market Approach	Income Approach
Net Asset Value Method	CCM and Market Price Method	DFC/PECV
Applied	Applied	Not Applied

### I. Asset Approach -Net Asset Value Method:

Net Asset value is computed by subtracting total outstanding liabilities from the total assets of the Company. We have applied Net Asset Value Method to compute fair value as under:

Figures in INR Lakh

Net Asset Value Calculation of Standards Capital Markets Limited	
Particulars	As on September 30, 2022
<b>Financial Assets:</b>	
Cash and Cash Equivalents	6.19
Bank Balance & Others	3.23
Trade receivables	-
Loans	10,372.40

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<b>Non-Financial Assets:</b>	
Inventories	0.07
Property, Plant and equipment	1.06
Current Tax Assets (Net)	20.65
Non-Financial assets	1.1
Non-Current investments	0.00
<b>Total Assets</b>	<b>10,404.70</b>
<b>Financial Liabilities:</b>	
Borrowings	9,959.78
Trade payables	8.62
<b>Other Financial Liabilities</b>	-
<b>Non-Financial Liabilities:</b>	
Provisions	53.73
Current tax liabilities (Net)	6.44
Deferred Tax Liabilities	-
Other Non-Financial Liabilities	15.09
<b>Total Liabilities</b>	<b>10,043.66</b>
<b>Net Asset Value</b>	<b>361.04</b>
Total Number of Equity Shares (in Numbers)	40,00,100
<b>NAV Per Share</b>	<b>9.03</b>

## II. A). Market Approach -Comparable Companies Multiple Method

Comparable Companies Multiple Method is a relative valuation method under this a company's value is assessed from comparisons of similar companies available in the market. We have applied Price to Earning (P/E) and Price to Book Value (P/B) multiples for computation of fair value which are as under:

### a) Price to Earnings Multiple

<i>Figures in INR Lakh</i>	
Earning as on December 31, 2022 (TTM Basis)	117.10
Price to Earnings Multiple	8.16
<b>Equity Value</b>	<b>956.00</b>

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## b) Price to Book Value Multiple

Figures in INR Lakh

Book Value as on September 30, 2022	361.04
Price to Book Value Multiple	1.09
<b>Equity Value</b>	<b>391.98</b>

## Fair Value through Comparable Companies Multiple

Figures in INR Lakh

Market Approaches	Fair Value	Weights	Product
Price to Earnings Multiple	956.00	1	956.00
Price to Book Value Multiple	391.98	1	391.98
<b>Weighted Average Value</b>			<b>673.99</b>
<b>No. of Shares (in Number)</b>			<b>4,000,100</b>
<b>Fair Value through Market Approach</b>			<b>16.85</b>

## II B). Market Approach -Market Price Method

As SCML is listed on the stock exchange, the pricing guideline of Regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR) have been relied upon for valuing the equity share of the Company under the Market Price Method.

ICDR Regulations 2018 provides following guidelines for pricing of the Preferential Issue of frequently traded shares:

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:

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

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## Explanation:

(a) 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 90 trading days prior to the relevant date.

(b) "Relevant date" in case of preferential issue of equity shares means, the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue.

We have carried out valuation as per SEBI ICDR Regulations, which is as following:

A. Volume Weighted Average Price (VWAP) for a period of 90 trading days of the equity shares of SCML quoted on BSE Limited during the last 90 trading days preceding February 24, 2023 "Relevant date".

**Volume Weighted Average Price = Sum of Total Value ÷ Total Volume**

$$32.14 = 1,50,36,619 \div 4,67,832$$

Date	No. of Shares	Total Turnover (Rs.)
23-Feb-23	1,012	36,330.00
22-Feb-23	3,122	1,06,772.00
21-Feb-23	1,475	48,085.00
20-Feb-23	373	11,581.00
17-Feb-23	2,00,776	59,42,969.00
16-Feb-23	90,126	23,39,348.00
15-Feb-23	53	1,425.00
14-Feb-23	162	4,584.00
13-Feb-23	3,554	1,05,731.00
10-Feb-23	735	23,005.00
09-Feb-23	375	12,337.00
08-Feb-23	9,176	3,17,489.00
07-Feb-23	736	26,790.00
06-Feb-23	652	24,971.00
03-Feb-23	177	7,133.00
02-Feb-23	334	14,161.00

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01-Feb-23	370	16,502.00
31-Jan-23	3,382	1,58,615.00
30-Jan-23	21,673	10,69,562.00
27-Jan-23	7,564	3,92,571.00
25-Jan-23	4,622	2,28,557.00
24-Jan-23	3,448	1,62,400.00
23-Jan-23	9,431	4,22,985.00
20-Jan-23	58,721	24,73,273.00
19-Jan-23	3,667	1,49,613.00
18-Jan-23	300	11,670.00
17-Jan-23	2,850	1,05,592.00
16-Jan-23	4,677	1,65,098.00
13-Jan-23	700	23,555.00
12-Jan-23	774	24,806.00
11-Jan-23	3,270	99,898.00
10-Jan-23	3,304	96,146.00
09-Jan-23	2,760	76,590.00
06-Jan-23	2,928	77,445.00
05-Jan-23	250	6,300.00
04-Jan-23	1,076	25,824.00
03-Jan-23	225	5,152.00
02-Jan-23	325	7,101.00
30-Dec-22	533	11,102.00
29-Dec-22	721	14,304.00
28-Dec-22	25	472.00
27-Dec-22	58	1,044.00
26-Dec-22	200	3,430.00
23-Dec-22	2,928	47,843.00
22-Dec-22	1,300	20,241.00
21-Dec-22	2,699	40,026.00
20-Dec-22	2	28.00
19-Dec-22	550	7,403.00
16-Dec-22	247	3,166.00
15-Dec-22	500	6,105.00
14-Dec-22	101	1,174.00
13-Dec-22	12	132.00
12-Dec-22	50	528.00
09-Dec-22	666	6,699.00

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08-Dec-22	79	757.00
07-Dec-22	101	923.00
06-Dec-22	1,050	9,145.00
02-Dec-22	200	1,660.00
01-Dec-22	1,151	9,104.00
30-Nov-22	153	1,153.00
28-Nov-22	203	1,459.00
25-Nov-22	3	20.00
24-Nov-22	205	1,338.00
23-Nov-22	470	2,923.00
22-Nov-22	301	1,784.00
21-Nov-22	305	1,723.00
17-Nov-22	418	2,253.00
14-Nov-22	1,000	5,140.00
07-Nov-22	1,000	4,900.00
31-Oct-22	1,099	5,132.00
27-Oct-22	344	1,530.00
24-Oct-22	3	12.00
<b>Total</b>	<b>4,67,832</b>	<b>1,50,36,619.00</b>
90 trading days' Volume Weighted Average Price preceding Relevant Date, i.e., February 24, 2023		32.14

**B. Volume Weighted Average Price (VWAP) for a period of 10 trading days of the equity shares of SCML quoted on BSE Limited during the last 10 trading days preceding the relevant date.**

***Volume Weighted Average Price = Sum of Total Value ÷ Total Volume***

$$28.60 = 86,19,830.00 \div 3,01,388$$

Date	No. of Shares	Total Turnover (Rs.)
23-Feb-23	1,012	36,330.00
22-Feb-23	3,122	1,06,772.00
21-Feb-23	1,475	48,085.00
20-Feb-23	373	11,581.00
17-Feb-23	2,00,776	59,42,969.00
16-Feb-23	90,126	23,39,348.00



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15-Feb-23	53	1,425.00
14-Feb-23	162	4,584.00
13-Feb-23	3,554	1,05,731.00
10-Feb-23	735	23,005.00
<b>Total</b>	<b>3,01,388</b>	<b>86,19,830.00</b>
10 trading days' Volume Weighted Average Price preceding Relevant Date, i.e., February 24, 2023		28.60

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Mobile: +91 9911077439  
Email: manwanimanish@yahoo.in

## IV. VALUATION SUMMARY

In terms of first Proviso to the Sub-Regulation 1 of Regulation 166A read with Sub-Regulation (1) of Regulation 164 of the SEBI (ICDR) Regulations" and by using the Valuation Parameters, the following is the Valuation Analysis of Equity Shares of the Company.

Sr. No.	Valuation Approach	Valuation Method	Value per Share (in INR)	Weights (%)	Value per Share (in INR)
1	Asset Approach	Book Value Method	9.03	0.40	3.61
2	Market Approach	Comparable Companies Multiple Method	16.85	0.30	5.05
		Market Price Method	32.14	0.30	9.64
3	Income Approach	NA	NA	NA	-
<b>Weighted Average Value</b>					<b>18.31</b>

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# MANISH MANWANI

Registered Valuer (Securities or Financial Assets)  
IBBI Registration No.: IBBI/RV/03/2021/14113

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## V. VALUATION CONCLUSION

### Regulation 166A of SEBI (ICDR) Regulations

*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.*

In light of the above and on consideration of all the relevant factors and Circumstances as discussed and outlined in this report, in my assessment, the fair value per equity share of the Company works out to **INR 32.14/-**.

Sr. No.	Particulars	Value per Share (in INR)
1	Floor Price in terms of First Proviso to Regulations 166A (1) of SEBI ICDR Regulations	18.31
2	Floor Price in terms of Regulations 164 (1) of SEBI ICDR Regulations	32.14

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## VI CAVEATS AND LIMITATIONS

### 6.1 Purpose and Distribution of Report

The report prepared by Valuers is prepared solely for the purpose as discussed with the management of SCML and should not be used for any other purpose. Except as specifically stated in the report prepared by Valuers, the report and its contents may not be quoted or referred to, in whole or in part, in any registration statement, prospectus, public filing, loan agreement, or other agreement or document without the prior written approval of Valuers. Except as set forth in this report, the report is prepared for SCML / Client use only and may not be reproduced or distributed to any third parties without Valuer's prior written consent.

### 6.2 Scope of Analysis

The appraisal of any financial instrument or business is a matter of informed judgment. The accompanying appraisal has been prepared on the basis of information and assumptions set forth in the attached report, its appendices, our underlying work papers, and these limiting conditions and assumptions.

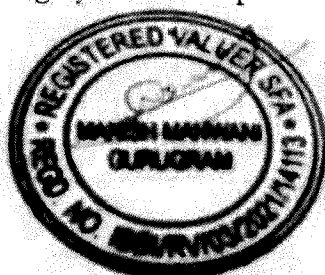
### 6.3 Nature of Opinion

Neither the opinion nor the report provided or prepared by Valuers are to be construed as a fairness opinion as to the fairness of an actual or proposed transaction, a solvency opinion, or an investment recommendation, but, instead, are the expression of Valuer's determination of the fair value of assets between a hypothetical willing buyer and a hypothetical willing seller in an assumed transaction on an assumed valuation date. For various reasons, the price at which the assets might be sold in a specific transaction between specific parties on a specific date might be significantly different from the fair market value as expressed in my report.

### 6.4 Basis of analysis and Assumptions considered

Valuer's analysis:

- is based on the present financial condition and significant future business plans of SCML assets as of the valuation date;
- assumes that as of the valuation date the Client and its assets will continue to operate as configured as a going concern;
- assumes that the current level of management expertise and effectiveness would continue to be maintained and that the character and integrity of the enterprise through any sale, reorganization,



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- exchange, or diminution of the owners' participation would not be materially or significantly changed; and
- d) assumes that SCML had no undisclosed real or contingent assets or liabilities, no unusual obligations or substantial commitments, other than in the ordinary course of business, nor had any litigation pending or threatened that would have a material effect on our analysis other than those considered for valuation calculation.
  - e) is based on various representations given by the management in relation to the fair value of certain assets & liabilities and future business plans.

## 6.5 Lack of Verification of Information Provided

With the exception of any audited financial statements provided to Valuers, Valuers has relied on information supplied by SCML without audit or verification. We have assumed that all information furnished is complete, accurate and reflects Client's management's good faith efforts to describe the status and prospects of the Client at the valuation date from an operating and a financial point of view. The Management provide the Un-audited Balance Sheet as on 30<sup>th</sup> September, 2022 based on that we compute the NAV valuation. As part of this assignment, we have relied upon publicly available data from recognized sources of financial, industry, or statistical information, which have not been verified.

## 6.6 Subsequent Events

The terms of Valuer's as discussed with the management of the Company are such that Valuers have no obligation to update this report or to revise the valuation because of events and transactions occurring subsequent to the date of the valuation unless Valuers are engaged to provide valuations in the future.

## 6.7 Legal Matters

We assume no responsibility for legal matters including interpretations of either the law or contracts. We have made no investigation of legal title and has assumed that all owners' claims to property are valid. We have given no consideration to liens or encumbrances except as specifically stated in financial statements provided to us. We have assumed that all required licenses, permits, etc. are in full force and effect. We assume that all applicable federal, state, local zoning, environmental and similar laws and regulations have and continue to be complied with by Client. We assume no responsibility for the acceptability of the valuation approaches used in my report as legal evidence in any particular court or jurisdiction. The suitability of Valuer's report and opinion for any legal forum is a matter for Client and Client's legal advisor to determine.



# MANISH MANWANI

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## 6.8 Testimony

Valuers and its employees, consultants and agents shall not provide any testimony or appear in any legal proceeding unless Valuers coordinate such testimony.

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