

Date: 14th August, 2023

To,
The Board of Directors,
Everlon Financials Ltd,
67, Regent Chambers, 208, Nariman Point, Mumbai, Maharashtra, 400021

Dear Sirs,

Subject: “Addendum” to the Valuation Report dated 27th July, 2023 w.r.t valuation of Fair Value of Equity Shares of Everlon Financials Ltd. (EFL / Company)

This letter is an addendum to our captioned valuation report dated 27th July, 2023 (“**Original Valuation Report**”).

Background to this Addendum:

We have issued the Original Valuation Report for the purpose of determining the fair market value of equity shares under the provision of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR 2018) for issue of Equity Shares on preferential basis. Since, the Equity shares of the Company were infrequently traded on BSE Limited, the stock exchange where the shares of the Company are presently listed, The Equity shares were valued in terms of the regulation 165 of SEBI ICDR 2018.

However, the Management of the Company has informed us that the under the said preferential issue of Equity Shares, the Company proposed to issue Equity Shares more than 5% to some of the proposed allottees, Accordingly, the Company also require the valuation of Equity Shares in terms of 166A of SEBI ICDR 2018.

In the context of the above, the Management of the Company has requested us to provide an addendum to the Original Valuation Report to cover the determination of valuation of Equity Shares under the provisions of 166A of SEBI ICDR 2018.



Basis for issuance of this Addendum:

In the Original Valuation Report, we had conducted the valuation of Equity Shares under the regulation 165 of SEBI ICDR 2018. As informed by the Management of the Company, we have accordingly, valued the Equity Shares of the Company under regulation 166A of SEBI ICDR 2018 as mentioned herein after.

Further, since the Equity Shares of the Company is infrequently traded at the BSE, accordingly, Price in terms of sub-regulation (1), (2) or (4) of regulation 164 of SEBI ICDR 2018 is not applicable.

Therefore, for the evaluation of fair valuation of Equity Shares under regulation 166A, we, being an independent Valuer, have considered best reasonable judgment to value the Equity Shares through weighted average of Market Approach (10 (Ten) days volume weighted average price of the related equity shares quoted on BSE i.e. the day immediately preceding the relevant date i.e. 27th July, 2023) and Net Asset Value and Price Earning Capacity Value (PECV).

We, being an Independent Valuer, have calculated **Rs. 24.89** per equity shares as the fair value price of each Equity Share in accordance with Regulation 166A of the SEBI ICDR 2018 as per **Annexure I**.


Conclusion:

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors.

The Fair Market Value per equity share of EFL as per above methodology is INR 24.89/- (Indian Rupees Twenty Four and Eighty Nine Paise).

Disclaimer/Limitations:

This addendum is being issued for the purpose as mentioned in the first para to this addendum, this addendum shall be in addition to and should be considered as a part of our Original Valuation Report. All other facts and figures (including disclaimers) mentioned in the Original Valuation Report shall have full effect.


Sanka Hari Surya
(Registered Valuer)
IBBI/RV/07/2019/12576



Date: 14th August, 2023
Place: Mumbai

Calculation of Fair Value of Shares

I. Net Asset Approach (NAV):

A] NAV METHOD	Amt in Lacs
EQUITY CAPITAL	562.41
RESERVES AND SURPLUS	437.83
NETWORTH	1,000.24
Number of Shares (in Lacs)	56.24
NAV (INR)	17.78

** Rounded off upto two decimal places.

2. Market Approach:

The price under Market Approach has been calculated considering 10 (ten) days volume weighted average price of the related equity shares quoted on BSE i.e. the day immediately preceding the relevant date i.e. 27th July, 2023, i.e. Rs. 44.71 per Equity Share.

S. No	Date	Volume	Total Turnover (Rs.)
1	26-Jul-23	10768	532607
2	25-Jul-23	2816	129322
3	24-Jul-23	841	37059
4	21-Jul-23	824	36007
5	20-Jul-23	2792	123074
6	19-Jul-23	2207	93891
7	18-Jul-23	3746	147325
8	17-Jul-23	408	16980
9	14-Jul-23	528	21196
10	13-Jul-23	5452	221052
	10 Days Volume Weighted Average Price	30382	1358513
		INR	44.71




3. Price Earning Capacity Value (PECV):

Particulars	Amount in INR		
	FY-2020-2021	FY 2021-2022	FY 2022-2023
Profit After Tax (PAT)	8.30	197.13	134.83
Weightage			
Average Profit			113.42
Capitalisation rate			13.88%
Capitalisation Value			817.08
No. of Equity Shares (in Lakhs)			56.24
Value per Share (INR)			14.53

FY- Financial Year

Fair Value as on relevant date as follow:

Weightage Average	Price per Share (Rs.)	Weight	Product
NAV	17.78	40%	7.11
Price Under Market approach	44.71	30%	13.41
PECV	14.53	30%	4.36
		Price (INR)	24.89


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