

Valuation Report  
Of  
**VIRINCHI LIMITED**  
CIN:  
**L72200TG1990PLC011104**

Prepared by:  
**A. SOMESWARA RAO**  
**(IBBI REGISTERED VALUER)**

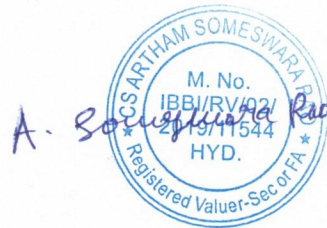
Registration No: IBBI/RV/02/2019/11544

Report Date: 30/10/2025  
UDIN: A018979G001706522

**Contact Details**

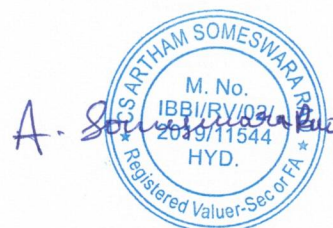
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## Table of Contents

Purpose
About the Valuer
Background/Information of the Company
Shareholding Pattern of the Company
Appointing Authority
Disclosure of Valuer's Interest
Source of Information
Approach Considered in Value Analysis
Selection of Valuation Methodology
Valuation & Conclusion
Limitations & Disclaimers





Date: 30/10/2025

To,  
**The Board of Directors**  
**Virinchi Limited**  
8-2-672/5&6, 4<sup>th</sup> Floor, Ilyas  
Mohammed Khan Estate, Road  
no.1, Banjara Hills, Hyderabad,  
Telangana, India, 500034

Dear Sir/Madam,

**Subject: Valuation of Equity Shares of Virinchi Limited (VIRINCHI)**

**I. Purpose:**

We have been engaged by Virinchi Limited having Registered office at 8-2-672/5&6, 4<sup>th</sup> Floor, Ilyas Mohammed Khan Estate, Road no.1, Banjara Hills, Hyderabad, Telangana, India, 500034 for the purpose of valuation of equity shares of **Virinchi Limited ("VIRINCHI"/"Company")**.

VIRINCHI is evaluating the fair market value of equity shares under preferential issue of shares under the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR 2018). Since, the Board of the Directors proposed to issue equity shares more than 5% to some of the proposed allottees, VIRINCHI requires Valuation of its shares for issuing shares in terms of the amended regulation 166A(1) of SEBI ICDR 2018.

Accordingly, as per the request received from the Company, we are valuing the Equity Shares of the Company.

The information contained herein and our report is confidential. It is intended only for the sole use for VIRINCHI, and only in connection with the purpose mentioned above. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the purpose as aforesaid, can be done only with our prior permission in writing.

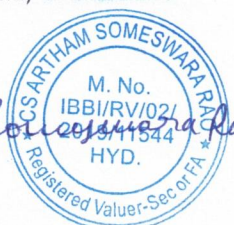
**II. About the Valuer:**

Mr. A. Someswara Rao is an Independent valuer and he is registered with Insolvency and Bankruptcy Board of India ("IBBI") with Registration No.: IBBI/RV/02/2019/11544 for the purpose of carrying out the said valuation of equity shares.

**III. Background/Information about VIRINCHI**

**Virinchi Limited ("VIRINCHI"/ "Company")** was incorporated on 13<sup>th</sup> March 1990 as a Limited Company. The Registered office of the company is situated at 8-2-672/5&6, 4<sup>th</sup> Floor, Ilyas Mohammed Khan Estate, Road no.1, Banjara Hills, Hyderabad, Telangana, India, 500034.

A. Someswara Rao





The Share Capital of the Company, on a fully diluted basis, as on 30<sup>th</sup> September 2025 is as under:

Particulars	Amount in INR
Issued, subscribed and paid up Capital 10,26,46,896 Equity Share of INR 10 each fully paid-up	102,64,68,960

(Source: Shareholding Pattern as provided by the Company)

#### IV. Shareholding Pattern of VIRINCHI

##### Shareholding pattern as on 30<sup>th</sup> September, 2025.

Particulars	No of Equity Shares	% of Holding
Promoter & Promoter Group	3,85,05,538	37.51
Other than Promoter & Promoter Group	6,41,41,358	62.49
<b>Total</b>	<b>10,26,46,896</b>	<b>100.00</b>

(Source: Shareholding Pattern as provided by the Company)

#### V. Appointing Authority:

We were assigned with this project of valuation of the Equity shares of the Company by the Audit Committee of Board (ACB) of the Board of Directors of the Company.

#### VI. Disclosure of Valuer's Interest/ Conflict:

The Valuer is not related to the VIRINCHI or its promoters or its Director or their relatives. The valuer does not have any interest or conflict of interest with respect to the valuation under consideration.

#### VII. Sources of Information:

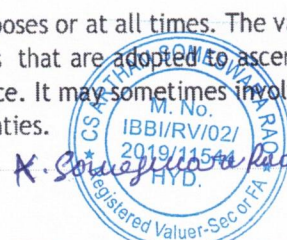
We were provided with the following information by VIRINCHI for the valuation purpose as aforesaid:

- ☐ Brief background of the business of the Company;
- ☐ Audited Financial Statements of last 3 years;
- ☐ Information available in the Public Domain;
- ☐ Latest Shareholding Pattern on 30<sup>th</sup> September, 2025;
- ☐ Memorandum and Articles of Association of the Company; and
- ☐ Market prices available on BSE & NSE Website.

#### VIII. Approach Considered in our Value Analysis:

##### General Principle for Valuation

There is no single definition of the term 'Value' that is suitable for all purposes or at all times. The value of a particular asset may vary according to different valuation methodologies that are adopted to ascertain the value for a specific purpose. Valuation of securities is an inexact science. It may sometimes involve a set of judgments and assumptions that may be subject to certain uncertainties.





**Broadly there are three approaches of Valuations which are as follows:**

- a) "Net Asset Approach"
- b) "Profit Earning Capacity Value"- PECV approach
- c) "Market" Approach

#### **IN SUMMARY:**

The application of any method of valuation depends on the purpose for which the valuation exercise is performed; relevance of each method under the circumstances of the case and other factors as determined appropriate. The brief methodology in each of the three approaches as mentioned above is as mentioned hereunder:

- **Net Asset Approach:** This method takes into account the value of the assets of the business or the net worth as represented in the financial statements of the Company. For the purposes of arriving at net asset value per share, the net worth so arrived at shall be divided by the number of equity shares issued and paid-up.
- **Profit Earning Capacity Value (PECV) Approach:** This method of valuation presumes the continuity of the business and uses the past earnings to arrive at an estimate of future maintainable profits (FMP). For the purpose of the calculating PECV of shares, commonly accepted approach is to capitalize weighted average of past earnings, at an appropriate rate of capitalization, to arrive at the fair value per share.
- **Market Approach:** The market approach is a method of determining the value of shares based on the quoted price in the respective stock exchange where the shares have been listed.

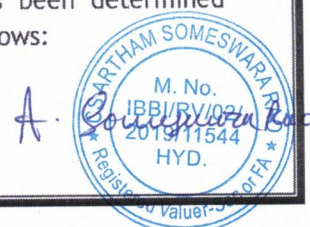
#### **Selection of Valuation Methodology**

The objective of the valuation process is to make a best reasonable judgment of the value of the Equity Shares of the Company. The Company's Equity shares are presently listed on BSE & NSE and are also frequently traded. Since highest traded volume in respect of equity shares has been recorded during the preceding 90 trading days prior to the relevant date in NSE, NSE shall be considered as "Stock Exchange", for calculating relevant Value per Share as per Regulation 164 of SEBI ICDR 2018.

Further, since the Company proposed to issue shares more than 5% to some of the allottees, in terms of the provisions of Regulation 166A(1) of SEBI ICDR 2018, as amended, VIRINCHI requires Valuation of its Equity shares for issuing Equity shares on preferential basis. Accordingly, the minimum price shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164 or the price determined by the Valuer or the price determined in accordance with the provisions of the Articles of Association of the issuer.

Therefore, for the evaluation of fair valuation, we, being an independent Valuer, have considered best reasonable judgment to value the equity shares through weighted average of Market Approach (Closing Market Price as on October 15, 2025 i.e. the day immediately preceding the relevant date) and Net Asset Value and Price Earning Capacity Value (PECV).

Further, the Equity Shares of the Company is frequently traded at the BSE & NSE and Price in terms of sub-regulation (1), (2) or (4) of regulation 164 of SEBI ICDR 2018 has been determined considering October 16, 2025 as relevant date in terms of SEBI ICDR 2018 as follows:





Minimum of the Higher of the price determined through following methods was considered:

- Price determined under sub-regulation (1), (2) or (4) of regulation 164 of SEBI ICDR Regulations as per following provisions i.e. price shall be not less than higher of the following:
  - The 90 (ninety) Trading days volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date; or
  - The 10 (ten) Trading days volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date

Provided that if the Articles of Association of the issuer provide for a method of determination which results in a floor price higher than that determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue.

The minimum price per Equity Share in accordance with Regulation 164 of the SEBI (ICDR) Regulations is calculated at Rs. 27.74 per equity share as per **Annexure I** and we, being an Independent Valuer, have calculated Rs. 26.42/- per equity shares as the fair value price of each Equity Share in accordance with Regulation 166A of the SEBI (ICDR) Regulations as per **Annexure II**.

**Method of determination of price as per the Articles of Association of the Company** - Not applicable as the Articles of Association of the Company are silent on the determination of a floor price/minimum price of the shares issued on preferential basis.

Following is the summary of the Valuation:

Value per Share as per Regulation 164 of SEBI ICDR 2018 - <i>as per Annexure-I.</i>	Rs. 27.74
Fair Value per Share- <i>as per Annexure-II.</i>	Rs. 26.42
Price Calculated as per Articles of Association of the Company	N.A.
<b>Whichever is higher as above</b>	
<b>Minimum price per Equity Share as per regulation 166A of SEBI ICDR 2018</b>	<b>27.74</b>

#### **Valuation & 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 VIRINCHI as per above methodology is INR Rs. 27.74/- (Indian Rupees Twenty Seven and Seventy Four Paise only).**

#### **Limitations & Disclaimers:**

- Our 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.
- Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While we have provided an assessment of the value based on the information available, application of certain formulae and within the scope and constraints of our engagement, others may place a different value to the same.
- Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. We have, therefore, not performed any audit, review, due diligence or examination of any of the historical or prospective information used and therefore, does not express any opinion with regards to the same.



- No investigation on the Company's 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. No consideration has been given to liens or encumbrances against the assets, beyond the liabilities in the books. Therefore, no responsibility is assumed for matters of a legal nature.
- Our work does not constitute an audit or certification of the historical financial statements/prospective results including the working results of the Company referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation mentioned in the report is as per agreed terms of our 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.
- In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Company through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions, forecasts and other information given by the Company. We assume no responsibility for any errors in the above information furnished by the Company and consequential impact on the present exercise.
- 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 the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Company and any other matter, which may have an impact on our opinion, on the fair value of the Equity shares of the Company including any significant changes that have taken place or are likely to take place in the financial position of the Company. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- Any person/party intending to provide finance/invest in the shares/business of the Company 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) on the basis of this valuation lies entirely with VIRINCHI and our work and our finding shall not constitute a recommendation as to whether or not the VIRINCHI / Company should carry out the transaction.
- Our report is meant for the purpose as mentioned and should not be used for any purpose other than the purpose mentioned therein. The 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.
- Neither Valuer, nor its partners/directors, managers, 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.

**A. Someswara Rao**  
**(Registered Valuer)**  
**IBBI/RV/02/2019/11544**



Date: 30/10/2025  
Place: Hyderabad



## Annexure-I

### **Calculation of Price as per regulation 164 of SEBI ICDR, 2018.**

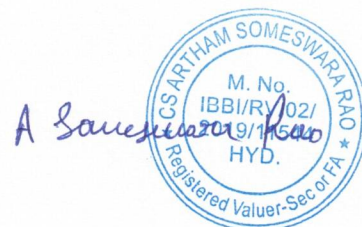
As per SEBI ICDR 2018, the Company's Equity shares are Frequently Traded at BSE & NSE. If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

Market Price (90 trading days volume weighted average price quoted at NSE during the 90 trading days preceding the relevant date i.e. 16 <sup>th</sup> October, 2025)	Rs. 27.74
Market Price (10 trading days volume weighted average price quoted at NSE during the 10 trading days preceding the relevant date i.e. 16 <sup>th</sup> October, 2025)	Rs. 27.70
Whichever is higher as above	Rs. 27.74

**Method of determination of price as per the Articles of Association of the Company** - Not applicable as the Articles of Association of the Company are silent on the determination of a floor price/minimum price of the shares issued on preferential basis.

### **Market Price (90 trading days volume weighted average price quoted at NSE during the 90 trading days preceding the relevant date i.e. 16<sup>th</sup> October, 2025)**

S.No.	Date	No. of Shares	Total Turnover (Rs.)
1	15-Oct-25	93,417	26,61,195.42
2	14-Oct-25	42,829	12,13,315.53
3	13-Oct-25	94,691	27,07,845.35
4	10-Oct-25	2,59,092	72,70,332.19
5	09-Oct-25	1,86,693	49,74,366.20
6	08-Oct-25	1,09,082	29,33,460.47
7	07-Oct-25	1,37,485	37,49,646.92
8	06-Oct-25	63,806	17,90,186.44
9	03-Oct-25	1,19,968	33,57,292.97
10	01-Oct-25	42,430	11,84,168.97
11	30-Sep-25	58,270	16,16,079.44
12	29-Sep-25	89,974	24,76,544.72
13	26-Sep-25	1,76,797	49,38,961.32
14	25-Sep-25	1,83,983	53,47,580.44
15	24-Sep-25	87,256	26,02,146.58
16	23-Sep-25	3,06,132	94,09,653.25
17	22-Sep-25	2,13,323	66,81,235.37
18	19-Sep-25	1,71,957	54,82,194.28
19	18-Sep-25	5,83,832	1,86,47,084.22
20	17-Sep-25	10,51,509	3,33,45,491.43
21	16-Sep-25	9,82,027	3,07,03,531.85
22	15-Sep-25	7,34,428	2,21,05,988.27
23	12-Sep-25	1,43,162	41,37,655.69
24	11-Sep-25	65,170	19,26,664.38
25	10-Sep-25	93,396	27,94,828.07
26	09-Sep-25	1,45,752	43,83,795.38





27	08-Sep-25	4,38,490	1,34,14,209.49
28	05-Sep-25	1,53,854	45,45,754.68
29	04-Sep-25	52,702	15,15,797.99
30	03-Sep-25	1,62,104	46,54,091.59
31	02-Sep-25	98,944	28,01,812.91
32	01-Sep-25	46,644	13,02,432.23
33	29-Aug-25	1,02,649	28,93,959.18
34	28-Aug-25	50,319	14,28,675.42
35	26-Aug-25	78,259	22,62,818.25
36	25-Aug-25	1,59,061	47,21,301.92
37	22-Aug-25	73,839	21,82,387.65
38	21-Aug-25	93,932	28,10,359.65
39	20-Aug-25	4,89,007	1,48,57,843.92
40	19-Aug-25	2,00,546	59,46,810.81
41	18-Aug-25	2,69,163	77,12,966.19
42	14-Aug-25	1,09,500	30,42,747.61
43	13-Aug-25	1,16,563	31,23,488.92
44	12-Aug-25	49,439	12,82,964.60
45	11-Aug-25	1,16,998	29,87,738.97
46	08-Aug-25	87,982	22,71,038.74
47	07-Aug-25	1,37,032	35,91,488.64
48	06-Aug-25	1,51,952	41,28,890.74
49	05-Aug-25	41,393	11,65,375.00
50	04-Aug-25	2,09,792	58,09,038.99
51	01-Aug-25	1,27,685	35,26,244.17
52	31-Jul-25	65,888	17,99,382.05
53	30-Jul-25	44,999	12,23,783.18
54	29-Jul-25	71,863	19,09,822.74
55	28-Jul-25	52,065	14,27,743.43
56	25-Jul-25	1,28,170	35,73,135.89
57	24-Jul-25	1,82,807	52,47,098.15
58	23-Jul-25	2,87,511	84,95,090.49
59	22-Jul-25	5,73,051	1,72,85,972.09
60	21-Jul-25	7,53,539	2,29,50,132.10
61	18-Jul-25	3,78,651	1,09,29,532.43
62	17-Jul-25	8,11,325	2,36,05,431.36
63	16-Jul-25	6,75,955	1,96,38,738.59
64	15-Jul-25	3,68,957	1,05,57,121.11
65	14-Jul-25	18,88,994	5,61,23,800.05
66	11-Jul-25	16,47,713	4,73,13,634.85
67	10-Jul-25	46,97,474	12,81,95,423.55
68	09-Jul-25	28,45,956	6,99,75,644.75
69	08-Jul-25	49,188	10,50,972.47
70	07-Jul-25	1,36,241	29,16,299.88
71	04-Jul-25	1,15,198	24,65,095.22
72	03-Jul-25	1,26,882	26,97,443.36
73	02-Jul-25	1,46,059	31,19,022.96
74	01-Jul-25	1,08,142	23,17,168.84
75	30-Jun-25	1,52,851	33,21,223.99
76	27-Jun-25	1,11,308	24,52,997.85
77	26-Jun-25	1,24,271	27,19,348.98
78	25-Jun-25	1,58,671	34,99,066.43
79	24-Jun-25	1,54,036	33,18,748.25





80	23-Jun-25	1,08,300	22,87,076.35
81	20-Jun-25	1,19,838	25,25,313.92
82	19-Jun-25	2,55,200	54,20,125.62
83	18-Jun-25	87,603	19,06,089.22
84	17-Jun-25	4,55,345	1,00,42,350.81
85	16-Jun-25	3,13,920	70,93,048.59
86	13-Jun-25	1,07,878	25,15,766.48
87	12-Jun-25	1,23,188	29,51,313.72
88	11-Jun-25	4,15,321	1,00,72,445.49
89	10-Jun-25	1,64,213	38,84,668.09
90	09-Jun-25	1,45,182	34,29,970.84
	Total	2,90,08,063	80,46,78,527.58
	Price		27.74

**Market Price (10 trading days volume weighted average price quoted at NSE during the 10 trading days preceding the relevant date i.e. 16<sup>th</sup> October, 2025)**

S.No.	Date	No.of Shares	Total Turnover (Rs.)
1	15-Oct-25	93,417	26,61,195.42
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6	08-Oct-25	1,09,082	29,33,460.47
7	07-Oct-25	1,37,485	37,49,646.92
8	06-Oct-25	63,806	17,90,186.44
9	03-Oct-25	1,19,968	33,57,292.97
10	01-Oct-25	42,430	11,84,168.97
	Total	11,49,493	3,18,41,810.46
	Price		27.70





## Calculation of Fair Value

## 1. Net Asset Value Approach (NAV)

Particulars	Amt in INR Lakhs
Equity Shares Capital as on March 31, 2025	10,264.69
Add: Other Equity	32,484.06
Net worth as on March 31, 2025 being the latest available Financials	42,748.75
Equity Shares Capital as on March 31, 2025 ( No of Shares)	10,26,46,896
Book Value per Share (Rs.)	41.65

\*\* Rounded off upto two decimal places.

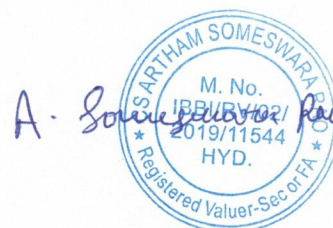
2. **Market Approach:** Closing Market Price on October 15, 2025 (i.e. the day immediately preceding the relevant date) is Rs. 28.08 per Equity Share (Source: www.nseindia.com)

## 3. Price Earning Capacity Value

B] PECV METHOD	PAT (INR Lakhs)	Weights	Product
2025	1603.90	1	1603.90
2024	1,108.09	1	1,108.09
2023	1,242.97	1	1,242.97
2022	1,236.71	1	1,236.71
2021	859.26	1	859.26
<b>TOTAL</b>			6050.93
<b>AVG</b>		5	1210.19
Capitalization @ 15%	8067.91		
Number of Equity Shares	102646896		
<b>Value per equity share</b>	7.86		

Fair Value -Closing Market Price as on relevant date as follow:

Weighted Average	Price per Share (Rs.)	Weights	Product
NAV	Rs. 41.65	25%	10.41
Closing Market Price as on 15 <sup>th</sup> October, 2025	Rs. 28.08	50%	14.04
PECV	Rs. 7.86	25%	1.97
	<b>Average Price (Rs.)</b>		<b>26.42</b>





## Notes:

A. Under the PECV method – *Price Earning Capacity Value* method – the financials are typically calculated on a standalone basis, not on a consolidated basis.

1. Purpose of PECV:

PECV is used primarily for valuation of a specific company, especially in cases like:

- Valuation for mergers, acquisitions, or buyouts
- Regulatory purposes (e.g., SEBI-compliant valuations in India)
- Share allotments

2. Standalone Basis Preferred:

- The method looks at the earnings capacity of the company being valued, not the entire group.
- Consolidated financials include performance of subsidiaries and associates, which may not be relevant for valuation of a single standalone entity.

3. Exception - If the subject is the group:

If the entire group (holding + subsidiaries) is being valued as a whole – for example, in the case of group restructuring – then consolidated financials might be used. But this is less common in PECV valuations.

B. In determining the fair value of equity shares, we have adopted a weighted average approach, assigning weights to three standard valuation methodologies: Net Asset Value (NAV), Market Price Method, and Price Earning Capacity Value (PECV). The basis for assigning 25% to NAV, 50% to Market Price, and 25% to PECV is detailed below:

1. *Market Price Method - 50% Weight*

- The company's equity shares are listed and actively traded on a recognized stock exchange.
- The closing market price reflects the current perception of investors and the broader market, incorporating both company-specific and industry-wide developments.
- The higher weight is given due to the price being determined by an arm's length market mechanism, assuming no manipulation or abnormal trading volumes.
- Market price is therefore considered the most objective and real-time indicator of value.
- The SEBI Regulations also recommends taking Market price method

2. *Net Asset Value (NAV) Method - 25% Weight*

- This method reflects the underlying book value of assets and liabilities, adjusted where necessary for revaluation or fair value estimates.
- A 25% weight has been assigned as the company does have significant tangible assets, but it is not an asset-intensive business where NAV alone would represent true value.
- NAV serves as a baseline or floor value, ensuring the valuation reflects the minimum worth based on balance sheet fundamentals.

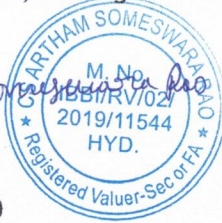
3. *Price Earning Capacity Value (PECV) Method - 25% Weight*

- PECV considers the company's sustainable profitability and earnings capacity based on historical performance.
- While important, it has been assigned a moderate 25% weight since:
  - There may be earnings volatility due to market or sector-specific factors.



- The market already incorporates forward-looking expectations in the stock price.
- PECV helps smooth out temporary market fluctuations and offers a long-term perspective, making it an essential secondary indicator.

A. Someswara Rao



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(Registered Valuer)  
IBBI/RV/02/2019/11544

Date: 30-10-2025

Place: Hyderabad