

Date: 23<sup>rd</sup> November, 2022

To,  
**The Audit Committee,**  
**Virinchi Limited**  
8-2-672/5&6 Road No I Banjara Hills, Hyderabad-500034

To,  
**The Board of Directors,**  
**Shri Shri Resorts Private Limited**  
Plot No.156, Road No.5 Sai Srinivas Nagar Colony, Dammaiguda Hyderabad TG 500083

Dear Sirs,

**Sub: Recommendation of Fair Equity Share Exchange Ratio for the Proposed Amalgamation of Shri Shri Resorts Private Limited with Virinchi Limited ('Proposed Transaction')**

We understand that the Management of above Companies are contemplating a Scheme of Amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and Rules framed there under (hereinafter referred to as "the Scheme") whereby it is proposed to amalgamate **Shri Shri Resorts Private Limited** ("SSRPL" or "the Transferor Company") into **Virinchi Limited** ("VIRINCHI" or "the Transferee Company"), on a going concern basis.

In this regard, Sanka Hari Surya, Registered Valuer under the category of Securities or Financial Assets with IBBI Registration No. IBBI/RV/07/2019/12576 ('RVS') (hereinafter referred to as 'Valuer' or 'We') has been appointed to recommend the fair share exchange ratio of equity shares for the proposed amalgamation of Shri Shri Resorts Private Limited with Virinchi Limited (VIRINCHI and SSRPL are hereinafter jointly referred to as 'the Companies') as required under the provisions of the Companies Act, 2013 and also as required under SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated November 3, 2020 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and further read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 (jointly referred to as "SEBI Circulars") for Schemes of Arrangement involving companies listed on recognized stock exchanges in India.

This Report is structured under the following broad heads:

- Background
- Information sources
- Valuation Standards followed and Procedure adopted for Valuation
- Valuation Methodology
- Share Issuance Ratio and Conclusion
- Scope Limitation



## **BACKGROUND**

### **Virinchi Limited**

**M/s. “Virinchi Limited” (formerly known as Virinchi Technologies Limited)** was originally incorporated as a Private Limited Company under the name and style “Virinchi Consultants Private Limited” on 13.03.1990 (Thirteenth day of March, One Thousand Nine Hundred and Ninety), in the erstwhile State of Andhra Pradesh (now state of Telangana), vide Certificate of Incorporation Number 01-11104 of 1989-90 issued by the Registrar of Companies. Subsequently, the Company converted itself into a Public Limited Company by following the due procedure as laid down under the provisions of the Companies Act, 1956 and the word “Private” was deleted from the name of the Company and consequent upon conversion, the Company obtained a Fresh Certificate of Incorporation from the Registrar of Companies on 01.02.2000 (First Day of February, Two Thousand). Subsequently the name of the Company was changed from ‘Virinchi Consultants Limited’ to ‘Virinchi Technologies Limited’ and consequent upon change of name, the Company obtained a Fresh Certificate of Incorporation from the Registrar of Companies, on 08.10.2003 (Eighth day of October, Two Thousand and Three) after complying with the relevant provisions under the Companies Act, 1956. Further, in the month of January, 2016, the name of the Company was once again changed from “Virinchi Technologies Limited’ to ‘Virinchi Limited’ by deleting the word “Technologies” and consequent upon change of name, the Company obtained a Fresh Certificate of Incorporation from the Registrar of Companies, on 12.01.2016 (Twelfth day of January, Two Thousand and Sixteen) after complying with the relevant provisions under the Companies Act, 2013. The Corporate Identification Number of the Company is L72200TG1990PLC011104. (Hereinafter referred to as the **Virinchi/Transferee Company as the context may require**”).

Virinchi is an IT Products & Services Company. Virinchi deploys IT as a tool to provide business solutions to clients across the domains of retail lending, health care, digital media and related large e-aggregation and e-distribution.

Virinchi is a Listed Company having its shares listed and traded on BSE Limited (formerly known as ‘Bombay Stock Exchange Ltd’). The Scrip code of the Company is 532372.

The Registered Office of Virinchi is situated at 8-2-672/5&6, 4th Floor, Ilyas Mohammed Khan Estate, Road No.1, Banjara Hills, Hyderabad, Telangana – 500034.

The shareholding pattern of VIRINCHI as of 23<sup>rd</sup> November, 2022 is as under:

| <b>Particulars</b>        | <b>Amount (Rs.)</b> | <b>% shareholding</b> |
|---------------------------|---------------------|-----------------------|
| Promoter & Promoter Group | 3,69,54,612         | 44.26%                |
| Public                    | 4,65,37,356         | 55.74%                |
| <b>Total</b>              | <b>8,34,91,968</b>  | <b>100.00%</b>        |



**Shri Shri Resorts Private Limited (SSRPL)**

M/s. “Shri Shri Resorts Private Limited” was incorporated as a Private Limited Company under the name and style “Shri Shri Resorts Private Limited” on 16-09-1991 (Sixteenth day of September, One Thousand Nine Hundred and Ninety One), in the erstwhile State of Andhra Pradesh (now state of Telangana), vide Certificate of Incorporation Number 01-13216 of 1991-92 issued by the Registrar of Companies.

SSRPL is engaged in the business of Software Product Development, Consulting services and designing and development of Technology Parks.

**Shareholding Pattern:**

| Name of the Shareholder                                | No. of equity shares | % of shareholding |
|--|----------------------|-------------------|
|  | Viswanath Kompella   | 12,00,000         |
| Lopa Mudra Kompella                                    | 4,16,625             | 8.86              |
| Ramakrishna Paramahansa Kompella                       | 4,16,750             | 8.87              |
| Modini Kompella  | 4,16,625             | 8.86              |
| Vira Systems Private Limited                           | 9,00,000             | 19.15             |
| Max Cell Phones communications (India) Private Limited | 4,50,000             | 9.57              |
| P.K.I. Solutions Private Limited                       | 9,00,000             | 19.15             |
| <b>Total</b>   | <b>47,00,000</b>     | <b>100%</b>       |



## **Transaction Overview and Rational**

It is proposed to amalgamate SSRPL into VIRINCHI. This arrangement would inter alia have the following benefits:

- The proposed scheme will result in additional real estate property to the extent of 456.52 Sq yards of land Located at Plot # 74 Sy. NO: 74/6, Balamrai Co,op housing society, Mahendra Hills, East Marredpally, Telangana 500026, owned by the Transferor Company and Ac 41- 18 % Gts of land in 5y. No349/P,350/P,351/P, Pragnapur Vilage, Gajwel Mandai, Siddipet Dt. owned by MN Life Science Centre {Pragnapur} Private Limited (herein after termed as Wholly owned Subsidiary of Transferor Company), which will be utilized by the Transferee Company and/ or its subsidiary (ies) to build World class Data Centre's with specific focus on providing Cloud Hosting & data security to Banking & Fintech companies as a new stream of business.
- The Transferee Company and/ or its subsidiary (ies), is on an expansion mode and contemplating to raise debt funding by utilizing land bank of the Transferor Company and its Subsidiary for securitization and collateral requirements of the banks and financial institution for raising the requisite debt fund..
- The Scheme is expected to enable better realization of potential of the businesses of the Transferor company and Transferee Company and yield beneficial results and enhanced value creation for the Companies, their respective shareholders, customers, creditors and employees.
- The amalgamation will enable pooling of resources of the companies involved in amalgamation to their common advantage, resulting in more productive utilization of the said resources and achieving economies of scale resulting into cost and operational efficiencies, which would be beneficial for all the stakeholders.
- The amalgamation would bring synergies in procurement, fixed asset consolidation and thereby increase the net worth of the Transferee Company by on account of business and capital investment.
- The amalgamation would help to achieve consolidation, greater integration and flexibility which will maximize overall shareholder value and improve competitive position of the Transferee Company.
- The amalgamation would help combining the administrative functions of the entities involved and consequently result into more efficient functioning of the Transferee Company in a cost-effective manner.
- The amalgamation is expected to increase the financial strength thereby enabling further growth and development of the Transferee Company.
- The amalgamation would bring greater management focus and would help in achieving uniform corporate policies and faster / effective decision making and its implementation.
- Cost reduction as a result of focused operational efforts, elimination of duplication of administrative expenses, optimum utilization of available resources and integrating management focus which will make the internal control systems more efficient and effective.



***Recommendation of Fair Equity Share Exchange Ratio for Proposed Amalgamation of Shri Shri Resorts Private Limited with Virinchi Limited***

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- Business synergies in the operations of the Transferee and the Transferor Company will provide operational flexibility resulting into higher profitability and a stronger and wider capita and financial base for future growth/ expansion of the Transferee Company.
- The amalgamation would help avoiding duplication of regulatory and procedural compliances and consequently result into Saving of time, resources and cost involved in such compliances.
- The amalgamation shall be beneficial and in the best interests of the shareholders, creditors, employees of the companies involved, and all concerned.
- The amalgamation enables the Transferee Company to have cash flow management which otherwise is required to be invested for the purpose of the requisite capital expansion as envisaged under this scheme and thereby increase the wealth of the shareholders.



## **INFORMATION SOURCES**

We have relied on the following sources of information and documents:

- Provisional financial statements of SSRPL for the period ended 30<sup>th</sup> September, 2022;
- Management Certified financial statements of MN Life Science Centre (Pragnapur) Private Limited (MNLIFE) for the period ended 30<sup>th</sup> September, 2022;
- Memorandum and Articles of Association of VIRINCHI and SSRPL;
- Draft Scheme of Amalgamation;
- Latest shareholding details of VIRINCHI and SSRPL;
- Our regular discussions with management representatives of the companies.

We have also relied on published and secondary sources of data whether or not made available by the Companies.



## **VALUATION STANDARDS FOLLOWED AND PROCEDURES ADOPTED FOR VALUATION**

- We have performed the valuation analysis, to the extent possible, in accordance with ICAI Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ('IVS'). IVS 301 on Business Valuation deals with valuation of a business or business ownership interest (i.e. it includes valuation of equity shares).
- In connection with this exercise, we have adopted the following procedures to carry out the valuation analysis:
  - Requested and received relevant data from the Management
  - Discussions with the Management on understanding of the businesses of the Companies - business and fundamental factors that affect their earning capacity including historical performance, future plans and prospects, etc.
  - Obtained and analysed data available in public domain, as considered relevant by us
  - Obtained and analysed market prices and other data involving equity shares of the Companies and of comparable companies
  - Selection of valuation approach and valuation methodology/ (ies), in accordance with IVS, as considered appropriate and relevant by us
  - Determination of values of the equity shares of the Companies, as relevant
  - Preparation and issuance of this valuation report



## **VALUATION APPROACHES AND METHODOLOGIES**

- As per the Scheme, the equity shareholders of SSRPL will be issued equity shares of VIRINCHI as consideration for the proposed amalgamation. In accordance with IVS, to arrive at the fair share exchange ratio, it is required to determine the fair value of equity shares of SSRPL and fair value of equity shares of VIRINCHI. These values are to be determined on a per share basis and are to be determined independently without considering the proposed transaction. The values are then to be assessed on a relative basis to determine the share exchange ratio.
- For the purpose of valuation, it is necessary to select an appropriate basis of valuation amongst the various valuation techniques. It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. The application of any particular method of valuation depends upon various factors including the size of company, nature of its business and purpose of valuation. Further, the concept of valuation is all about the price at which a transaction takes place i.e., the price at which seller is willing to sell and buyer is willing to buy. Accordingly, a fair and reasonable approach for valuing the shares of the company is to use a combination of these methods.
- IVS 301 read with IVS 103 specifies that generally the following three approaches for valuation of business / business ownership interest are used:
  - Cost Approach
  - Market Approach
  - Income Approach

### **Cost Approach – Net Asset Value (NAV) method**

- The value under cost approach is determined based on the underlying value of the assets which could be on book value basis, replacement cost basis or on the basis of realizable value. Under NAV method, total value of the business is based either on net asset value or realizable value or replacement cost basis. NAV methodology is most applicable for the business where the value lies in the underlying assets and not the ongoing operations of the business. NAV method does not capture the future earning capacity of the business.

### **Income Approach – Discounted Cash Flows (DCF) method**

- Under the Income Approach, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalization. DCF Method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. FCFF or free cash flows to the firm (“FCFF”) represents the cash available for distribution to both the owners and the creditors of the business. Risk-adjusted discount rate or Weighted Average Cost of Capital (“WACC”) is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & bank balance and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the company.

### **Market Approach – Market Price method**

- Under the Market Price method, the market price of an equity share as quoted on a recognized Stock Exchange is normally considered as the value of the equity shares of that



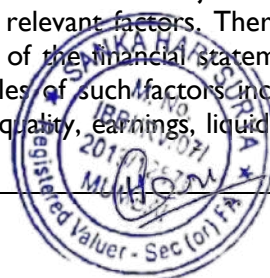
company, where such quotations are arising from the shares being regularly and frequently traded. Generally, market value is reflective of the investors' perception about the actual worth of the company. However, in certain situations, the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further in case of amalgamation, where the value of shares of one company is required to be evaluated against the value of shares of another company, the volume of shares traded and available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

### **Market Approach – Comparable Companies' Multiple (CCM) method**

- Under CCM Method, the value of shares of the subject company is determined on the basis of multiples derived from valuations of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. The Comparable Companies' Multiple Method arrives at the value of the company by using 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, such as growth potential, past track record, size, company dynamics, etc.

### **SCOPE LIMITATIONS AND DISCLAIMERS**

- Valuation analysis and results are specific to the purpose of valuation mentioned in this report as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date.
- We owe responsibility to only the Management of the Company that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this valuation report. Our valuation report cannot be used for any other purpose. This report has been prepared for the Management of VIRINCHI solely for the purpose of the proposed amalgamation envisaged in the Scheme. This report should not be used for any other purpose.
- Our analysis is based on the market conditions and the regulatory environment that currently exists. However, changes to the same in the future could impact the company and the industry it operates in, which may impact our valuation analysis.
- Neither we nor any of our affiliates are responsible for updating this report because of events or transactions occurring subsequent to the date of this report.
- We have considered and relied on the information provided to us by the Management including financial information, significant transactions and events occurring subsequent to the balance sheet date. We understand that the information provided to us and the representations made to us (whether verbal or written) are reliable and adequate. We have derived our conclusions and recommendation from the information so provided and we are thus reliant on the given information to be complete and accurate in every significant aspect. We are made to believe that the Management of the Companies have informed us about all material transactions, events or any other relevant factors which are likely to have an impact on our valuation recommendation.
- In the ultimate analysis, valuation will have to capture the exercise of judicious discretion by the Valuer and judgment taking into account all the relevant factors. There will always be several factors which are not evident from the face of the financial statements, but which will strongly influence the worth of a share. Examples of such factors include quality and integrity of the management, capital adequacy, asset quality, earnings, liquidity, size, present



and prospective competition, yield on comparable securities and market sentiment, etc. This concept is also recognized in judicial decisions.


- This Report does not look into the business / commercial reasons behind the transaction. We have no present or planned future interest in either of the companies and the fee for this certificate is not contingent upon the values reported therein. Our valuation analysis should not be construed as an investment advice. We do not express any opinion on the suitability or otherwise of entering into any transaction with the companies.

## **SHARE ISSUANCE RATIO AND CONCLUSION**

- The basis of the amalgamation of SSRPL into VIRINCHI would have to be determined after taking into consideration all the factors and methods mentioned in this Report. Though different values have been arrived at under each of the above methods, for the purposes of recommending the fair exchange ratio of equity shares it is necessary to arrive at a final value for each of the Companies' shares. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the Companies, but at their relative values to facilitate the determination of the Fair Equity Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approaches / methods.
- The Fair Equity Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of the Companies based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations. We have independently applied methods discussed above, as considered appropriate, i.e., Market Price method for VIRINCHI and NAV method for SSRPL, and arrived at the assessment of the value per equity share of VIRINCHI and SSRPL.
- In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this Report for the proposed amalgamation and upon the proposed Scheme becoming effective, in our opinion, we recommend Fair Equity Share Exchange Ratio for the amalgamation of SSRPL with VIRINCHI as below:

*“74 (Seventy Four) equity shares of VIRINCHI of face value of INR 10/- each fully paid up for every 10 (Ten) equity shares of SSRPL..”*

Yours faithfully,

  
**Sanka Hari Surya**  
**(Registered Valuer)**  
**IBBI/RV/07/2019/12576**  
FRN: 133958W  
Place: Mumbai  
Date: 23<sup>rd</sup> November, 2022



**ANNEXURE I – SHARE EXCHANGE RATIO WORKINGS**

**Share Exchange Ratio in compliance with relevant pricing provisions**

| Valuation Approach                    | VIRINCHI              |            | SSRPL                 |            |
|---------------------------------------|-----------------------|------------|-----------------------|------------|
|                                       | Value per Share (INR) | Weight (%) | Value per Share (INR) | Weight (%) |
| Asset Approach- NAV Method            | NA                    | 0.00%      | 329.19                | 100.00%    |
| Income Approach – DCF Method          | NA                    | 0.00%      | NA                    | 0.00%      |
| Market Approach – Market Price Method | 44.49                 | 100.00%    | NA                    | 0.00%      |
| Market Approach – CCM Method          | NA                    | 0.00%      | NA                    | 0.00%      |
| <b>Relative Value per share</b>       | <b>44.49</b>          |            | <b>329.19</b>         |            |

Based on the above computation, we recommend a fair share exchange ratio as below:

*“74 (Seventy Four) equity shares of VIRINCHI of face value of INR 10/- each fully paid up for every 10 (Ten) equity shares of SSRPL..”*

- Since, VIRINCHI is a listed company and equity shares of VIRINCHI are traded on BSE over a reasonable period, we have considered Market Price method to determine the value of equity shares of VIRINCHI. We understand that the shares are frequently traded (in terms of Regulation 164(5) of SEBI Issue of Capital and Disclosure Requirements (ICDR) Regulations, 2018. We have considered the stock prices of VIRINCHI from BSE for calculating the fair market value of equity shares of VIRINCHI.
- In terms of Clause 164 of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (ICDR Regulations), if the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days as on the relevant date, the equity shares shall be allotted at a price not less than higher of the following:
  - a) the 90 trading days 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 volume weighted average price of the related equity shares quoted on the recognised 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.

**Refer Annexure II** for computation of share price of VIRINCHI shares under Regulation 164(I) of ICDR Regulations.

- Since, there SSRPL is an unlisted Company and Equity Shares of SSRPL is not tradeable on any stock exchange, we have not considered Market Price Method to determine the value of the Equity shares of SSRPL.



- We have not considered NAV method for the said valuation purpose as VIRINCHI has operating businesses and equity share of VIRINCHI is listed and frequently traded at BSE and we understand that historical book value does not reflect intrinsic value of its businesses. We do not contemplate an actual sale realization of the individual assets. We have therefore not considered NAV method for the said valuation of VIRINCHI. We have however considered the book NAV for information purposes.
- However, we have considered NAV method (realizable value) for valuation of equity share of SSRPL, SSRPL has majorly invested its funds in Investment in the equity shares of its Subsidiary Company (MNLIFE) and Immovable Property. The value of SSRPL is mainly depended upon its underlying assets. Therefore, we have considered Realizable value method under NAV method to determine the value of SSRPL.

**Refer Annexure III** for computation of share price of SSRPL.

- We have not considered Discounted Cash Flows (DCF) method under the income approach due to unavailability of business projections of VIRINCHI as we understand that projections of VIRINCHI would mean to be price sensitive information, which was therefore not made available to us.
- We have not considered DCF method to determine the value of equity shares of SSRPL since, the value of SSRPL depends entirely on its underlying assets and Investments. The Investments and the underlying assets of SSRPL reflects its true fair value and therefore, we have not considered DCF method for SSRPL.
- We understand from the Management that there are no companies listed on stock exchanges operating in similar business line as VIRINCHI. Considering this, we have not considered the CCM method of valuation to determine the value of shares of VIRINCHI. Management has confirmed that there are no listed companies that can be directly comparable to SSRPL and factors relevant to nature of operations, current stage of business, etc., making the use of this method unsuitable for the said valuation purpose. We have therefore not considered CCM method for valuation.



**Annexure II – Calculation of Fair Value under Regulation 164(1) of SEBI (ICDR) Regulations, 2018 (as amended)**

As per SEBI ICDR, the Company's Equity shares are Frequently Traded at BSE. 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 BSE during the 90 trading days preceding the relevant date i.e. 23 <sup>rd</sup> November, 2022) | Rs. 44.49        |
| Market Price (10 trading days volume weighted average price quoted at BSE during the 10 trading days preceding the relevant date i.e. 23 <sup>rd</sup> November, 2022) | Rs. 43.35        |
| <b>Whichever is higher as above</b>  | <b>Rs. 44.49</b> |

**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 BSE during the 90 trading days preceding the relevant date i.e. 23<sup>rd</sup> November, 2022)**

| S.No. | Date      | No.of Shares | Total Turnover (Rs.) |
|-------|-----------|--------------|----------------------|
| 1     | 22-Nov-22 | 913002       | 43904431             |
| 2     | 21-Nov-22 | 522246       | 21332486             |
| 3     | 18-Nov-22 | 96543        | 3662876              |
| 4     | 17-Nov-22 | 139007       | 5363049              |
| 5     | 16-Nov-22 | 88569        | 3542216              |
| 6     | 15-Nov-22 | 202438       | 8045574              |
| 7     | 14-Nov-22 | 211503       | 8529262              |
| 8     | 11-Nov-22 | 98956        | 4208072              |
| 9     | 10-Nov-22 | 56849        | 2404440              |
| 10    | 09-Nov-22 | 79790        | 3428727              |
| 11    | 07-Nov-22 | 83062        | 3638446              |
| 12    | 04-Nov-22 | 120844       | 5313387              |
| 13    | 03-Nov-22 | 49981        | 2157320              |
| 14    | 02-Nov-22 | 148519       | 6223506              |
| 15    | 01-Nov-22 | 141657       | 5571146              |
| 16    | 31-Oct-22 | 73961        | 2979556              |
| 17    | 28-Oct-22 | 71742        | 2929172              |
| 18    | 27-Oct-22 | 107976       | 4491409              |
| 19    | 25-Oct-22 | 35654        | 1533904              |
| 20    | 24-Oct-22 | 22497        | 982810               |
| 21    | 21-Oct-22 | 84492        | 3738591              |
| 22    | 20-Oct-22 | 226904       | 9861968              |
| 23    | 19-Oct-22 | 126045       | 5429954              |
| 24    | 18-Oct-22 | 35499        | 1582814              |



**Recommendation of Fair Equity Share Exchange Ratio for Proposed Amalgamation of Shri Shri Resorts Private Limited with Virinchi Limited**

| S.No. | Date      | No.of Shares | Total Turnover (Rs.) |
|-------|-----------|--------------|----------------------|
| 25    | 17-Oct-22 | 52782        | 2377884              |
| 26    | 14-Oct-22 | 158711       | 7274039              |
| 27    | 13-Oct-22 | 62308        | 2948035              |
| 28    | 12-Oct-22 | 372360       | 17726816             |
| 29    | 11-Oct-22 | 94805        | 4463271              |
| 30    | 10-Oct-22 | 169192       | 7841849              |
| 31    | 07-Oct-22 | 114861       | 5193678              |
| 32    | 06-Oct-22 | 32203        | 1470399              |
| 33    | 04-Oct-22 | 328042       | 14950922             |
| 34    | 03-Oct-22 | 316447       | 14553548             |
| 35    | 30-Sep-22 | 265422       | 12132751             |
| 36    | 29-Sep-22 | 200709       | 8986608              |
| 37    | 28-Sep-22 | 302124       | 13720080             |
| 38    | 27-Sep-22 | 77617        | 3620973              |
| 39    | 26-Sep-22 | 123490       | 5825237              |
| 40    | 23-Sep-22 | 379855       | 18172470             |
| 41    | 22-Sep-22 | 166525       | 7816701              |
| 42    | 21-Sep-22 | 72305        | 3520745              |
| 43    | 20-Sep-22 | 178006       | 8828208              |
| 44    | 19-Sep-22 | 144313       | 7220339              |
| 45    | 16-Sep-22 | 235573       | 11932299             |
| 46    | 15-Sep-22 | 296675       | 15335110             |
| 47    | 14-Sep-22 | 175791       | 8785384              |
| 48    | 13-Sep-22 | 302393       | 15475927             |
| 49    | 12-Sep-22 | 119056       | 6417676              |
| 50    | 09-Sep-22 | 481281       | 25132870             |
| 51    | 08-Sep-22 | 248803       | 12747384             |
| 52    | 07-Sep-22 | 364486       | 19230982             |
| 53    | 06-Sep-22 | 511708       | 27573167             |
| 54    | 05-Sep-22 | 1299028      | 67126906             |
| 55    | 02-Sep-22 | 119240       | 5997209              |
| 56    | 01-Sep-22 | 247048       | 12461473             |
| 57    | 30-Aug-22 | 1132715      | 59192664             |
| 58    | 29-Aug-22 | 769040       | 37393589             |
| 59    | 26-Aug-22 | 394465       | 17421880             |
| 60    | 25-Aug-22 | 173115       | 7155901              |
| 61    | 24-Aug-22 | 63251        | 2649665              |
| 62    | 23-Aug-22 | 113106       | 4711227              |
| 63    | 22-Aug-22 | 267087       | 11263023             |
| 64    | 19-Aug-22 | 540266       | 23304816             |
| 65    | 18-Aug-22 | 84252        | 3506231              |
| 66    | 17-Aug-22 | 288189       | 12053123             |
| 67    | 16-Aug-22 | 91639        | 4054937              |
| 68    | 12-Aug-22 | 584541       | 25491188             |
| 69    | 11-Aug-22 | 1175406      | 47441115             |



**Recommendation of Fair Equity Share Exchange Ratio for Proposed Amalgamation of Shri Shri Resorts Private Limited with Virinchi Limited**

| S.No.        | Date      | No.of Shares   | Total Turnover (Rs.)  |
|--------------|-----------|--|-----------------------|
| 70           | 10-Aug-22 | 125393   | 5310238               |
| 71           | 08-Aug-22 | 61122  | 2683849               |
| 72           | 05-Aug-22 | 272610   | 11554848              |
| 73           | 04-Aug-22 | 148047   | 6440054               |
| 74           | 03-Aug-22 | 377357   | 16269397              |
| 75           | 02-Aug-22 | 77060  | 3409400               |
| 76           | 01-Aug-22 | 245143   | 11004361              |
| 77           | 29-Jul-22 | 266877   | 11798521              |
| 78           | 28-Jul-22 | 292668   | 12752869              |
| 79           | 27-Jul-22 | 849576   | 35800969              |
| 80           | 26-Jul-22 | 75934  | 3158854               |
| 81           | 25-Jul-22 | 79646  | 3153870               |
| 82           | 22-Jul-22 | 846742   | 31904107              |
| 83           | 21-Jul-22 | 1192731  | 42926551              |
| 84           | 20-Jul-22 | 350464   | 12031528              |
| 85           | 19-Jul-22 | 107398   | 3640712               |
| 86           | 18-Jul-22 | 29254  | 1029084               |
| 87           | 15-Jul-22 | 384368   | 13498779              |
| 88           | 14-Jul-22 | 337836   | 11930407              |
| 89           | 13-Jul-22 | 293697   | 10258170              |
| 90           | 12-Jul-22 | 375995   | 13432996              |
| <b>Total</b> |           | <b>2,42,17,885</b>                                   | <b>1,07,73,44,979</b> |
|              |           | <b>90 trading days volume weighted average price</b> | <b>44.49</b>          |

**Market Price (10 trading days volume weighted average price quoted at BSE during the 10 trading days preceding the relevant date i.e. 23<sup>rd</sup> November, 2022)**

| S.No.        | Date      | No.of Shares   | Total Turnover (Rs.) |
|--------------|-----------|--|----------------------|
| 1            | 22-Nov-22 | 913002   | 43904431             |
| 2            | 21-Nov-22 | 522246   | 21332486             |
| 3            | 18-Nov-22 | 96543  | 3662876              |
| 4            | 17-Nov-22 | 139007   | 5363049              |
| 5            | 16-Nov-22 | 88569  | 3542216              |
| 6            | 15-Nov-22 | 202438   | 8045574              |
| 7            | 14-Nov-22 | 211503   | 8529262              |
| 8            | 11-Nov-22 | 98956  | 4208072              |
| 9            | 10-Nov-22 | 56849  | 2404440              |
| 10           | 09-Nov-22 | 79790  | 3428727              |
| <b>Total</b> |           | <b>24,08,903</b>                                     | <b>10,44,21,133</b>  |
|              |           | <b>10 trading days volume weighted average price</b> | <b>43.35</b>         |



**Annexure III – Computation of price of SSRPL**

**Details of Equity Share Capital of the Company (SSRPL)**

| Particulars   | Valuation     |
|---|---------------|
| No. of Equity Shares as on 30 <sup>th</sup> September, 2022         | 47,00,000     |
| <b>Fair market value of equity shares (In INR) per equity Share</b> | <b>329.19</b> |

**Valuation of Equity Shares as on 30<sup>th</sup> September, 2022:**

| Particulars   | Amount in INR            |
|---|--------------------------|
| <i>'A' refers to the below</i>                                |                          |
| Book value of the assets in the Balance Sheet                 | 49,45,79,467.13          |
| Less:   |                          |
| Book value of shares and securities                           | 48,49,37,933.00          |
| Book Value of Immovable property                              | 81,05,800.00             |
| Add:  |                          |
| Fair market value of shares and securities (refer note below) | 1,99,50,12,353           |
| Realizable value of immovable property (refer note below)     | 3,19,56,000.00           |
| <b>Net Assets (A)</b>   | <b>2,02,85,04,087.40</b> |
| <i>'L' refers to the below</i>                                |                          |
| Book value of liabilities in the Balance Sheet                | 49,45,79,467.13          |
| Less:   |                          |
| The paid-up capital in respect of equity shares               | 4,70,00,000.00           |
| Reserves and surplus  | (3,37,51,540.11)         |
| <b>Net Liabilities (L)</b>                                    | <b>48,13,31,007.24</b>   |
| <b>Fair value (Net Assets – Net liabilities)</b>              | <b>1,54,71,73,080.16</b> |
| PV - Paid up value per Equity Share                           | 10                       |
| <i>PE - paid value Equity Share Capital</i>                   | 4,70,00,000.00           |
| <b>Fair market value of equity shares = (A - L) * PV / PE</b> | <b>329.19</b>            |

Note:

i) Fair value of Investments held by SSRPL in shares have been calculated as below:

| S.No | Name of Company in which investment is held | Type of Investments | Book Value (amt in INR) | Fair value (amt in INR) | Basis  |
|------|---|---------------------|-------------------------|-------------------------|--|
| 1.   | Virinchi Limited                            | Quoted              | 2,29,70,000             | 48059038.30             | Considering the Closing Market Price as on 22 <sup>nd</sup> November, 2022 |
| 2.   | Vivo Biotech Limited                        | Quoted              | 2,25,85,000             | 19556200.00             |  |
| 3.   | MNLIFE                                      | Unquoted            | 43,93,82,933            | 1927397114.97           | Annexure IIIA  |





***Recommendation of Fair Equity Share Exchange Ratio for Proposed Amalgamation of Shri  
Shri Resorts Private Limited with Virinchi Limited***

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- ii) Realizable Value of Immovable property has been considered based upon valuation report dated 13<sup>th</sup> March, 2020 issued by B.E. Reddy & Associates.



**Annexure IIIA**

**Calculation of Fair value of equity share of MNLIFE**

**Valuation of Equity Shares as on 30<sup>th</sup> September 2022:**

| <b>Particulars</b>  | <b>Amount in INR</b>     |
|---|--------------------------|
| <i>'A' refers to the below</i>  |                          |
| Book value of the assets in the Balance Sheet                             | 18,13,57,174.35          |
| Less:   |                          |
| Book Value of Immovable property  | 1,80,28,302.00           |
| <i>Add:</i>   |                          |
| Estimated Value of the immovable property (refer note below)              | 1,78,27,80,000.00        |
| <b>Net Assets</b>   | <b>2,17,18,92,731.23</b> |
| <i>'L' refers to the below</i>  |                          |
| Book value of liabilities in the Balance Sheet                            | 18,13,57,174.35          |
| Less:   |                          |
| The paid-up capital in respect of equity shares                           | 1,04,49,740.00           |
| Reserves and surplus  | 15,21,95,676.97          |
| <b>Net Liabilities</b>  | <b>1,87,11,757.38</b>    |
| <b>Fair value (Net Assets – Net liabilities)</b>                          | <b>1,92,73,97,114.97</b> |
| PV - Paid up value per Equity Share                                       | 10.00                    |
| <i>PE - paid value Equity Share Capital</i>                               | 1,04,49,740.00           |
| <b>Fair market value of equity shares = (A + B + C + D - L) * PV / PE</b> | <b>1844.45</b>           |

Note:

- i) Realizable Value of Immovable property has been considered based upon valuation report dated 9<sup>th</sup> July, 2022 issued by B.E. Reddy & Associates.

