

A. SOMESWARA RAO

Registered Valuer – Securities or Financial Assets

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

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Report Date: 9th July 2026

Valuation Date: 1st April 2026 (Effective Date of Slump Sale)

Place: Hyderabad

To,

The Board of Directors

VIRINCHI HEALTH CARE PVT LTD

6-3-2, 6-3-3, 6-3-3/1, Ashoka Metropolitan Building,

Road No. 1, Banjara Hills, Hyderabad, Telangana – 500034, India

Dear Sir(s),

SUB: VALUATION REPORT ON SLUMP SALE – FAIR MARKET VALUE OF THE CAPITAL ASSETS OF THE UNDERTAKING BEING TRANSFERRED BY VIRINCHI HEALTH CARE PVT LTD, UNDER SECTION 77 OF THE INCOME-TAX ACT, 2025 READ WITH RULE 53 OF THE INCOME-TAX RULES, 2026

With reference to the above, we enclose our report on the determination of the fair market value (FMV) of the capital assets comprised in the undertaking transferred by Virinchi Health Care Private Limited by way of slump sale. Based on the analysis under Rule 53 of the Income-tax Rules, 2026, we report that the fair market value of the said capital assets as on the valuation date (1st April 2026) is ₹100,00,00,000/- (Rupees Hundred Crore only), being the higher of FMV1 (FMV of the undertaking transferred) and FMV2 (FMV of the consideration received), computed as set out herein.

Thanking you,

Yours faithfully,

A. SOMESWARA RAO

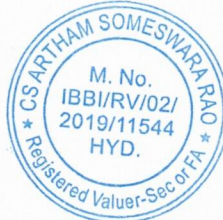
Registered Valuer (Securities or Financial Assets),

IBBI/RV/02/2019/11544

Place: Hyderabad

Date: **9th July 2026**

UDIN: A018979H000795755



1. Scope and Purpose

The management of Virinchi Health Care Private Limited (the "Company") has appointed us to determine the fair market value (FMV) of the capital assets comprised in the undertaking being transferred by way of slump sale, in accordance with Section 77 of the Income-tax Act, 2025 read with Rule 53 of the Income-tax Rules, 2026. This valuation is required to compute the deemed full value of the consideration for the purpose of capital gains under Section 77, as on the effective date of the slump sale, i.e., 1st April 2026.

2. Background of the Company and the Transaction

Virinchi Health Care Private Limited (CIN: U85100TG2013PTC091707), an unlisted private company incorporated on 16th December 2013, having its registered office at 6-3-2, 6-3-3, 6-3-3/1, Ashoka Metropolitan Building, Road No. 1, Banjara Hills, Hyderabad, Telangana – 500034, India ("Transferor"), is engaged in healthcare Services through its 3 health care centres.

We have been informed by the Management that the Company intends to transfer its Primary and Secondary health care business under Bristlecone Hospitals Brand consisting of two units with cumulative capacity of 200 beds located at:

1. D. No. 3-4-136, Street No.6, Near Barkatpura Chaman, Barkatpura, Hyderabad - 500027
2. Plot No 5 & 9, Padmavathi Nagar Colony, Beside Sai Baba Temple, Hayathnagar, Hyderabad - 501505

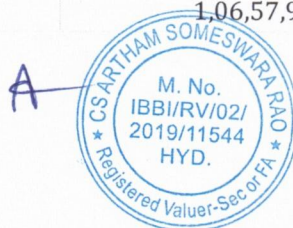
(the "Undertaking") to Virinchi Limited (CIN L72200TG1990PLC011104) ("**Transferee**") on a slump-sale basis, as a going concern, for a lump-sum consideration vide a **Business Transfer Agreement ("BTA")** dated **9th July 2026**, with effect from 1st April 2026, without values being assigned to individual assets and liabilities. The agreed lump-sum consideration is **₹100,00,00,000/- (Rupees Hundred Crore only)**, discharged in kind by way of adjustment against the Loans extended by M/s. Virinchi Limited to the company.

It is in this regard that the Management seeks the determination of the FMV of the capital assets being transferred, under Section 77 read with Rule 53. The face value of the equity share of the Company is ₹10/- each.

2.1 Capital Structure (as on the valuation date, 1st April 2026)

The authorised, issued, subscribed and paid-up share capital of the Company, as per its financial statements (Note 3 – Share Capital), is set out below (face value ₹10/- per share):

Particulars	No. of Shares	Amount (₹)
Authorised		
Equity shares of ₹10/- each	1,10,00,000	11,00,00,000
Total Authorised	1,10,00,000	11,00,00,000
Issued, Subscribed and Paid-up		
Equity shares of ₹10/- each	1,06,57,978	10,65,79,780
Total Issued, Subscribed and Paid-up	1,06,57,978	10,65,79,780



2.2 Directors

S.No.	Name of the Director	Designation / DIN
1	Mr. Shyam Sunder Tipparaju	Director (DIN 07167885)
2	Mr. Sri Kalyan Kompella	Director (DIN 03137506)
3	Mr. Maddala Veera Srinivasa Rao	Director (DIN 00816334)
4	Mrs. Priya Rajender Goda	Director (DIN 07402785)

2.3 Appointing Authority / Current Assignment

We have been appointed by the Board of Directors of the Company to carry out this valuation, vide engagement letter dated 1st July 2026, signed by the authorised director, duly authorised by a resolution of the Board of Directors.

2.4 About the Valuer

The undersigned is a Registered Valuer under the asset class "Securities or Financial Assets", registered with the Insolvency and Bankruptcy Board of India (IBBI/RV/02/2019/11544).

2.5 Disclosure of the Valuer's Interest

I, **A. Someswara Rao**, Registered Valuer, hereby declare that I have no interest, direct or indirect, present or expected, in the Company **(Virinchi Health Care Pvt Ltd) or in the Transferee (Virinchi Limited)**, and that I am not related to or connected with the promoters, directors or any officer of either company, directly or indirectly. I am independent and have been appointed in my individual capacity.

3. Valuation Basis and Premise of Value

3.1 Basis / Standard of Value

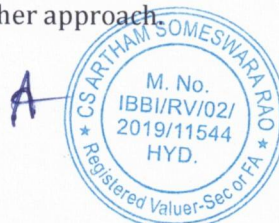
The capital assets of the Undertaking have been considered on a fair value basis, in accordance with the formulae prescribed under Rule 53 of the Income-tax Rules, 2026. Indian Valuation Standard (IVS) 102 – Bases of Value defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.

3.2 Premise of Value

The Undertaking has been considered on a going-concern premise – i.e., a business that is conducting operations as at the valuation date and is expected to continue to do so for the foreseeable future.

3.3 Valuation Standards Followed

This report has been prepared in conformity with the Companies (Registered Valuers and Valuation) Rules, 2017 and the ICAI Valuation Standards, 2018, and the specific computational framework prescribed under Section 77 and Rule 53. Where the statutory formula governs, the prescribed manner has been followed in preference to any other approach.



4. Valuation Analysis – Methodology

Section 77 of the Income-tax Act, 2025 is a special provision for computation of capital gains in a slump sale. In relation to the undertaking transferred:

- The "net worth" of the undertaking or division shall be deemed to be the cost of acquisition and the cost of improvement.
- The fair market value of the capital assets on the date of transfer, calculated in the prescribed manner, shall be deemed to be the full value of the consideration received or accruing as a result of such transfer.

Every assessee, in the case of a slump sale, must furnish an accountant's report in the prescribed form (Form No. 28 under Rule 54) certifying that the net worth has been correctly arrived at as per provisions—which is a separate compliance exercise outside the scope of this FMV report.

Rule 53 is structured in steps: sub-rule (1) requires the fair market value of the capital assets to be taken as the higher of FMV1 and FMV2; sub-rule (2) prescribes FMV1 (the FMV of the undertaking / assets transferred); sub-rule (3) prescribes FMV2 (the FMV of the consideration received); and sub-rule (4) requires both to be determined as on the date of slump sale. The two figures are computed as follows:

FMV1 – Fair Market Value of the undertaking transferred [sub-rule (2)]:

Formula: $A+B+C+D-L$

- ✓ A = book value of all the assets (other than jewellery, artistic work, shares, securities and immovable property) appearing in the books of accounts of the undertaking transferred, reduced by:

Income-tax paid, if any, less refund claimed;

Any amount shown as an asset (including unamortised deferred expenditure) which does not represent the value of any asset.

- ✓ B = open-market price of jewellery and artistic work based on a registered valuer's report.
- ✓ C = fair market value of shares and securities determined in the manner provided in Rule 57.
- ✓ D = stamp-duty value adopted, assessed, or assessable by any authority for immovable property.
- ✓ L = book value of liabilities appearing in the books of account of the undertaking transferred, excluding:
 - Paid-up equity share capital;
 - Amounts set apart for preference/equity dividends not declared before the transfer date at a general body meeting;
 - Reserves and surplus (even if negative), other than depreciation provisions;



- Provision for taxation (subject to tax payable adjustments on book profits);
- Provisions made for meeting liabilities other than ascertained liabilities;
- Contingent liabilities.

FMV2 – Fair Market Value of the consideration received [sub-rule (3)]:

Formula: E+F+G+H

- ✓ E = value of the monetary consideration received or accruing as a result of the transfer.
- ✓ F = fair market value of non-monetary consideration represented by property/securities referred to in Rule 57.
- ✓ G = open-market price of other non-monetary (non-immovable) consideration not covered under Rule 57 based on a registered valuer's report.
- ✓ H = stamp-duty value of immovable property forming part of the non-monetary consideration received.

Per Rule 53(4), the fair market value of the capital assets under both sub-rules shall be determined strictly as on the date of the slump sale.

5. Basis for Determination and Sources of Information

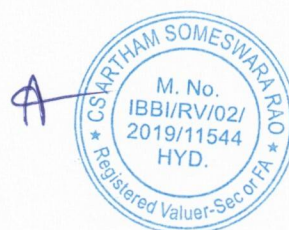
Our valuation is based on the provisional carve-out financials of the Undertaking as at 31st March 2026, and the information and explanations provided by the Management. The valuation has been carried out in accordance Section 77 read with Rule 53 and Rule 57.

The sources relied upon are:

- Provisional carve-out financial statements / Trial balance of the Undertaking as at 31st March 2026.
- Latest audited financial statements of the Transferor as at 31st March 2026.
- The Business Transfer Agreement between the Transferor and the Transferee.
- Discussions with the Company's finance team and the Management Representation Letter.

6. Recommended Valuation

Based on the analysis performed, we report that the fair market value of the Undertaking transferred by way of slump sale, computed in accordance with Rule 53 of the Income-tax Rules, 2026 as at the valuation date (1st April 2026), is ₹100,00,00,000/- (Rupees Hundred Crore only), being the higher of FMV1 (FMV of the undertaking transferred) and FMV2 (FMV of the consideration received):



S.No.	Particulars	Amount (₹)
(a)	FMV1 – Fair Market Value of the undertaking transferred [sub-rule (2) of Rule 53] (refer Exhibit 1-I)	100,00,00,000
(b)	FMV2 – Fair Market Value of the consideration received [sub-rule (3) of Rule 53] (refer Exhibit 1-II)	100,00,00,000
	Fair Market Value as at 31st March 2026 – higher of (a) or (b)	100,00,00,000

Details of the workings are set out in Exhibit 1.

Exhibit 1 – Determination of Fair Market Value under Rule 53

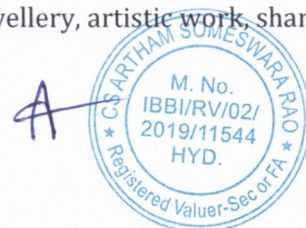
(I) Calculation of FMV1 – Fair Market Value of the undertaking transferred [sub-rule (2) of Rule 53] (A + B + C + D – L)

Based on the provisional carve-out financial statements of the Undertaking as at 31st March, 2026

S.No.	Particulars	Amount (₹)
A	Book value of all assets (other than jewellery, artistic work, shares, securities and immovable property) appearing in the books of the Undertaking transferred	1,10,99,96,100
Less	(i) income-tax paid, less income-tax refund claimed, relating to the Undertaking	(Nil)
	(ii) any amount shown as an asset (incl. unamortised deferred expenditure) not representing the value of any asset	(Nil)
	Sub-total (A)	1,10,99,96,100
B	Open-market price of jewellery and artistic work (registered valuer's report)	Nil
C	FMV of shares and securities under 57	Nil
D	Stamp-duty value of immovable property	Nil
L	Book value of liabilities of the Undertaking (excluding paid-up capital, reserves & surplus, dividend set-asides, excess tax provision, provisions for unascertained liabilities and contingent liabilities)	10,99,96,100
	FMV1 – FMV of the undertaking transferred [sub-rule (2)] (A + B + C + D – L)	100,00,00,000

Notes to the FMV1 computation

1. The valuation has been carried out under Section 77 read with Rule 53 and Rule 57, based on the provisional carve-out financials of the Undertaking as at 1st April 2026.
2. The Undertaking does **not** comprise any immovable property; accordingly D = Nil. The Undertaking does not comprise jewellery or artistic work (B = Nil) or any shares/securities (C = Nil).
3. The intangible asset included in component A is taken at its book value, as Rule 53(2) requires assets other than the specified categories (jewellery, artistic work, shares/securities and immovable property) to be taken at book value.



4. The sundry / trade receivable and the advance included in component A are taken at book value as realisable assets representing value.
5. The asset base does not include deferred tax assets, advance tax / TDS receivables, prepaid expenses, or unamortised deferred / preliminary expenditure.
6. The liabilities comprise ascertained trade creditors and expenses payable; none of them represents paid-up capital, reserves & surplus, dividend set-asides, excess tax provision, provisions for unascertained liabilities or contingent liabilities, and accordingly all are included in L.
7. The Management has represented that there are no amounts set apart for dividends and no unascertained / contingent liabilities to be adjusted.

(II) Calculation of FMV2 – Fair Market Value of the consideration received [sub-rule (3) of Rule 53] (E + F + G + H)

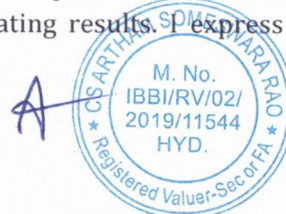
Based on the BTA between the Transferor and the Transferee and discussions with the Management.

S.No.	Particulars	Amount (₹)
E	Value of the monetary consideration received / accruing on the transfer	100,00,00,000
F	FMV of non-monetary consideration being property under Rule 57	Nil
G	Open-market price of other non-monetary (non-immovable) consideration (registered valuer's report)	Nil
H	Stamp-duty value of immovable property forming part of the consideration	Nil
	FMV2 – FMV of the consideration received [sub-rule (3)] (E + F + G + H)	100,00,00,000

Note: The Management has represented that the Undertaking is to be transferred for a full and final lump-sum consideration of ₹100,00,00,000/-, discharged in kind by way of adjustment against the Loans extended by M/s. Virinchi Limited to the company after the effective date.

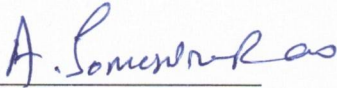
Disclaimer, Caveats and Limiting Conditions

1. The fee for this engagement is not contingent upon the development or reporting of any predetermined value or direction favouring the client, the outcome of the valuation, the amount of the opinion, or the occurrence of any subsequent event.
2. This report is prepared solely for the stated purpose (computation of FMV of the capital assets under Section 77 read with Rule 53) and as at the stated valuation date (1st April 2026). It may not be used for any other purpose, as at any other date, or by any other party.
3. My engagement does not constitute an audit, review or due diligence of the financial statements or records of the Company. Financial and other information provided by the Company / its representatives has been accepted without independent verification as fully and correctly reflecting the business conditions and operating results. I express no audit opinion or any other form of assurance on such information.



4. I have not made an independent appraisal or valuation of the individual assets or liabilities of the Undertaking/Company (save as expressly stated), and have relied on the book values and information furnished by the Management for the Rule 53 computation.
5. No investigation of the Company's title to its assets has been made, and the Company's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets beyond those disclosed in the accounts.
6. I have not been engaged to, and do not, express any opinion on the tax-planning strategy, transaction structure, legal validity, or implications of the proposed transaction, including any related-party aspect or arm's-length character, transfer-pricing or GAAR implications. Users of this report should obtain independent advice on these matters.
7. The valuation of businesses is not a precise science; the conclusion is, to a degree, subjective and dependent on the exercise of professional judgment. The actual price at which the transaction proceeds is a matter for the parties to agree, and may differ from the value reported herein.
8. I have no obligation to update this report for events, circumstances, trends or transactions occurring after the date of the report. This report is to be read in its entirety and not in parts.

Signed for and on behalf of the Registered Valuer,



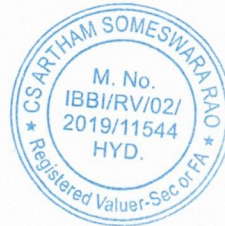
A. SOMESWARA RAO

Registered Valuer – Securities or Financial Assets

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

Place: Hyderabad

Date: 09th July 2026



Annexure -1

Particulars	Rs.
Name of the Asset	
Electrical Equipment	4,55,872
Office Equipment	2,68,402
Furniture	15,60,120
Vehicles	2,41,377
Medical Equipment	2,96,70,318
ROU	3,53,38,653
CWIP	70,74,11,828
V-health Software	9,76,49,786
Intangible Assets	3,72,37,942
GOODWILL	
Total Fixed Assets Transferred	90,98,34,298
Long Term Loans & Advances	1,01,98,533
Receivables	1,72,30,270
Short Term Loans and Advances	17,07,78,673
Other Current Assets	
Salary Advances	3,97,904
Inventory	15,56,422
Other Assets	20,01,61,802
Total Assets Transferred	1,10,99,96,100
Total Liabilities	
Net worth	
Lease Liability	7,25,85,228
Trade Payables	2,34,94,817
ST Provisions	1,39,16,055
Total	10,99,96,100
Net Assets Value	1,00,00,00,000

