



www.omnifin.in

Omnifin Valuation Services (OPC) P Ltd
Diamond Arcade, #313, 68 Jessore Road, Kolkata 700055
valuation@omnifinsolutions.com | +91 88 2000 1234
CIN: U74999WB2021OPC242865
IBBI Regn No. IBBI/RV-E/01/2022/160 | RVM: RVOESMA/REM/2022/0004

To
The Board of Directors,
Halder Venture Ltd
Diamond Heritage, 16, Strand Road,
10th Floor, Room 1012
Kolkata 700001

Dear Sir,

Reference your queries towards the Valuation Reports issued to you dated 20-Jul-2022 and 17-Feb-2023, we have presented our responses below.

Further, from the valuation reports dated July 20, 2022 and February 17, 2023, it is observed that to derive at the relative value per share of HVL, the valuer has considered Market Approach by assigning 30% weightage to Market approach. Therefore, kindly provide clarification from the Valuer rationale for using market price method under market approach to derive at the relative value per share of HVL, since the shares of HVL are infrequently traded.

Valuer Response: Our valuation of HVL reflects the Fair Value of HVL and the same has been derived using multiple methods. Appropriate weights have been assigned to each method based on our estimates. HVL being a listed entity, usually Market price Method is the primary method applied to value any listed entity. However, since the company is infrequently traded, we have applied other methods of valuation to arrive at fair value. Having said this, though the company is infrequently traded, there is some trading that has occurred in HVL. These are actual transactions, and we believe that such valuation should be assigned some value and should not be ignore completely. Accordingly, we have assigned a nominal weight to Market Price Method.

Kindly submit detailed calculation for deriving at the enterprise value of Rs. 19033.94 lakhs and 21186.32 lakhs of HVL as per Income Approach under DCF Method in valuation reports dated February 17, 2023, and July 20, 2022 respectively.

Valuer Response: Please refer to Annexure 1 attached for details.

From the valuation report dated February 17, 2023, it is observed that the valuer has considered provisional financial statements as on December 31, 2022 for all the companies involved in draft scheme of amalgamation. In this regard, kindly provide clarification from the valuer of whether audited financials of the unlisted companies were considered by the valuer for valuation as mentioned in Exchange SOP Circular dated December 20, 2022. Further, kindly provide clarification if the provisional financials considered for the listed entity are audited or not. If the same are unaudited, kindly provide confirmation if they have been limited reviewed by the auditors or not.

Valuer Response: It is clarified that after issuance of our valuation report, we have perused the Audited Financial Statements of all companies under amalgamation. There is no change in the Share Exchange Ratio after considering the Audited Financials of the companies under amalgamation. We have provided the summary of valuation using both set of financials for reference.

Please refer to Annexure 2 for details

Thanks,

Vikash Goel, Registered Valuer
Director, Omnifin Valuation Services (OPC) P Ltd
Date: 26-Apr-23 | Place: Kolkata

Annexure 1:

Note: Details of calculation of Enterprise Value of HVL [Report dated: February 17, 2023]

FCFF - 31-Dec-22	31-12-22	31-03-23	31-03-24	31-03-25	31-03-26	31-03-27	31-03-28
Discount Rate	11.84%						
Tax Rate	25.17%				-		
P/E Multiple (FY 2028)	40.38x						
EBITDA x (1 - Tax Rate)	51.45	8.58	684.93	1,287.41	1,738.00	1,368.68	1,437.11
Deprecation x Tax Rate	2.68	0.62	9.84	21.65	29.23	30.69	32.23
Working Capital Investment	868.06	7.42	117.30	258.07	348.39	2,379.34	1,024.27
Capex	19.15	7.42	117.30	258.07	348.39	365.81	384.10
Free Cash Flow to Firm	-833.08	-5.64	460.17	792.93	1,070.45	-1,345.78	60.97
Terminal Value							34,730.76
PV of FCF		-5.48	400.10	616.44	744.09	-836.44	33.88
PV of Explicit Forecast Period	952.59						
PV of Terminal Value	18,081.35						
Value of the firm	19,033.94						
Add: Cash	82.92						
Less: Debt	1,213.73						
Add: Value of Investments	4,241.71						
Value of Equity	22,144.84						
No. of Shares	31,60,700						
Value per Share	700.63						

Note: Details of calculation of Enterprise Value of HVL [Report Dated: July 20, 2022]

FCFF - 31-May-22	31-05-2022	31-03-2023	31-03-2024	31-03-2025	31-03-2026
Discount Rate	11.97%				
Tax Rate	25.17%				
P/E Multiple (FY 2026)	36.13x				
EBITDA x (1 - Tax Rate)	34.38	99.18	684.93	1,287.41	1,738.00
Deprecation x Tax Rate	0.55	2.46	9.84	21.65	29.23
Working Capital Investment	34.86	29.36	117.30	258.07	347.77
Capex	0.00	29.36	117.30	258.07	348.39
Free Cash Flow to Firm	0.08	42.92	460.17	792.93	1,071.07
Terminal Value					30,078.18
PV of FCF		39.06	374.05	575.66	694.49
PV of Explicit Forecast Period	1,683.27				
PV of Terminal Value	19,503.05				
Value of the firm	21,186.32				
Add: Cash	1.57				
Less: Debt	211.74				
Add: Value of Investments	4,253.42				
Value of Equity	25,229.57				
No. of Shares	31,60,700				
Value per Share	798.23				

Annexure 2:

Computation of Fair Share Exchange Ratio (as per Report issued – based on provisional Financial Statements as of 31-Dec-22)

Particulars	Halder		JDM		PK Agri Link		PK Cereals		Reliable		Jatadhari	
	Weights	Value per share	Weights	Value per share	Weights	Value per share	Weights	Value per share	Weights	Value per share	Weights	Value per share
Cost (Asset) Approach	10.0%	142.10	50.0%	246.95	33.33%	254.64	33.3%	347.52	50.0%	100.06	33.3%	145.62
Income Approach	50.0%	700.63	0.0%	N/A	33.33%	235.40	33.3%	110.36	0.0%	N/A	33.3%	74.04
Market Approach (P/B Multiple)	10.0%	390.97	50.0%	367.41	33.33%	367.29	33.3%	306.70	50.0%	148.87	33.3%	145.35
Market Approach	30.0%	382.32	--	--	--	--	--	--	--	--	--	--
Relative Value Per Share	100.0%	518.32	100%	307.18	100%	285.78	100%	254.86	100%	124.47	100.0%	121.68
Exchange Ratio (rounded off)		N/A		Nil[#]		55 : 100		49 : 100		24 : 100		23 : 100

Computation of Fair Share Exchange Ratio (as per Report issued – based on Audited Financial Statements as of 31-Dec-22)

Particulars	Halder		JDM		PK Agri Link		PK Cereals		Reliable		Jatadhari	
	Weights	Value per share	Weights	Value per share	Weights	Value per share	Weights	Value per share	Weights	Value per share	Weights	Value per share
Cost (Asset) Approach	10.0%	142.25	50.0%	246.95	33.33%	254.64	33.3%	348.34	50.0%	100.05	33.3%	145.62
Income Approach	50.0%	700.63	0.0%	N/A	33.33%	235.40	33.3%	112.40	0.0%	N/A	33.3%	74.04
Market Approach (P/B Multiple)	10.0%	391.39	50.0%	367.41	33.33%	367.29	33.3%	307.93	50.0%	148.86	33.3%	145.35
Market Approach	30.0%	382.32	--	--	--	--	--	--	--	--	--	--
Relative Value Per Share	100.0%	518.38	100%	307.18	100%	285.78	100%	256.23	100%	124.46	100.0%	121.68
Exchange Ratio (rounded off)		N/A		Nil[#]		55 : 100		49 : 100		24 : 100		23 : 100