

**AMITHKUMAR SHENOY**  
Registered Valuer  
CA, B.Com, Social auditor

**VALUATION REPORT**  
**OF**  
**INDIAN TERRAIN FASHIONS LIMITED**  
**As on**  
**16<sup>th</sup> August 2024**  
**(Strictly privileged and confidential)**

**Contact us at:**

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## AMITHKUMAR SHENOY

REGISTERED VALUER FOR THE ASSET CLASS – SECURITIES OR FINANCIAL ASSETS

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Dated: August 16, 2024

To,

The Audit Committee / Board of Directors,  
Indian Terrain Fashions Limited  
Regd Office: Survey No. 549/2 & 232,  
Plot No 4 Thirukkachiyur & Sengundram Industrial Area,  
Singaperumal Koil Post,  
Chengalpattu – 603204  
Tamil Nadu

Dear Sir,

**Sub: Valuation of equity shares of Indian Terrain Fashions Limited**

Pursuant to my engagement with Indian Terrain Fashions Limited, I have determined the fair value of the Company's equity shares for the purpose of issue of equity shares under Private Placement as per Section 42 & Section 62(1)(c) of the Companies Act 2013 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended.

Based on the assumptions, limiting conditions detailed in the appended report, and the prevailing facts and circumstances as of the valuation date, the Fair Value of equity shares of ITFL of Rs. 2/- each fully paid up is estimated at **Rs. 55.18/-** and the price of equity shares of ITFL of Rs. 2/- each fully paid as per relevant pricing regulation of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('SEBI ICDR') is arrived at **Rs. 70.07/-**

**Recommendation:** Audit Committee and / or Board of Directors of ITFL is advised as below:

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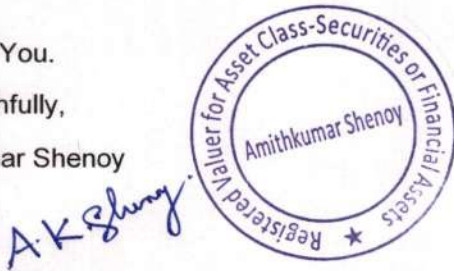
Part IV of Chapter V of SEBI ICDR provides for determination of issue price pertaining to "Preferential Issue". Proviso to regulation 166A (1) of SEBI ICDR provides that higher of price, as determined under regulation 164 of SEBI ICDR and the price determined as per the valuation report of an independent Registered Valuer, be considered. Accordingly, the price of equity shares which ITFL intends to issue on a preferential basis shall **NOT BE LESS THAN Rs. 70.07/- for every equity share of Rs. 2/- fully paid up, subject to commercial negotiation between the company and prospective investor(s) (to whom the equity shares are planned to be issued on preferential basis) respectively.**

The comprehensive valuation report is appended herewith.

Thanking You.

Yours faithfully,

Amithkumar Shenoy



Registered Valuer for Asset Class- Securities or Financial Assets  
Certificate of Practice No. IOVRV00610SFA  
IBBI Registration No. IBBI/RV/02/2019/11584  
IOVRVF Membership No. IOVRVF/VM/F&SA/5450

VRN: IOV/2024-2025/7418

Place: Bangalore



## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### ABBREVIATIONS FORMING PART OF THE REPORT

CCM	- Comparable Companies Multiple
DFCF/DCF	- Discounted Free Cash Flow
NAV	- Net Assets Value
FY	- Financial Year
FYE	- Financial Year Ended
INR	- Indian Rupee
Lacs	- Lakhs
IBBI	- The Insolvency and Bankruptcy Board of India
IVORVF	- IOV Registered Valuers Foundation
IVS	- International Valuation Standards
RV(SFA)	- Registered Valuer (Securities & Financial Assets)
MOA	- Memorandum of Association
AOA	- Articles of Association
Relevant date / Valuation date	- August 16, 2024
WACC	- Weighted Average Cost of Capital
VRN	- Valuation Reference Number
ICDR	- Issue of Capital and Disclosure Requirements





## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### EXECUTIVE SUMMARY:

#### 1.1 Terms of engagement :

- I refer to the engagement letter dated August 06, 2024, whereby, the Board of Directors of Indian Terrain Fashions Limited (hereinafter referred to as "the Company" or "ITFL") have appointed Amithkumar Shenoy, (hereinafter referred to as 'Registered Valuer' or 'I' or 'me') to determine the fair value of equity shares of the Company.
- Based on my discussion with the Company, I understand that they are intending to issue equity shares on preferential basis; and though such issue of equity shares constitutes less than 5% of post issue fully diluted share capital of the issuer (ITFL), the valuation report as per Regulation 166A of SEBI ICDR is not applicable but as a good corporate governance measure, the Company had approached me to value the price as per the SEBI ICDR Regulations.
- This valuation report (the "Report") has been prepared pursuant to the terms of the engagement letter between Amithkumar Shenoy and ITFL including the terms and conditions set out therein.

#### 1.2 Purpose of valuation:

- This valuation report is prepared for the purpose of issue of equity shares under Private Placement as per Section 42 & Section 62(1)(c) of the Companies Act 2013 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended.

#### 1.3 Intended usage of the report:

- The intended usage of the report is for the company including its Audit Committee and Board of Directors, its shareholders and for any regulatory requirements to understand the Fair Value of equity shares and any appropriate filing for regulatory purposes.
- The Report has been prepared exclusively for specified purpose as mentioned above and hence, should not be used for any other purposes, without obtaining the prior written consent from my side. This opinion should not be considered, in whole or in part, as investment advice by or to any entity/person, natural, legal or otherwise (including by the prospective investor or subscriber of equity shares).

#### 1.4 Date of valuation:

- For the purpose of this valuation, August 16, 2024, has been considered as the "Valuation Date".

**Amithkumar Shenoy**  
Registered Valuer- Securities or Financial Assets



## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### 1.5 Valuation standards:

The valuation has been carried out as per IVS.

**In addition to the general standards/ guidelines of the IVS, my report specifically complies with the following IVS:**

- a) IVS 101 – Scope of Work, Analyses and Evaluation,
- b) IVS 102 – Investigation and compliances.
- c) IVS 103 – Reporting.
- d) IVS 104 – Bases of value
- e) IVS 105 – Valuation approaches and Methods

### 1.6 Premise of Value:

- The valuation has been carried out under the fundamental premise of "Going Concern" as this, in my opinion, represents the best use of the business assets of the subject business enterprise.
- Based on the assumptions and limiting conditions as described in this report, as well as the facts and circumstances as of the valuation date, the fair value of equity shares of ITFL is worked out.

### 1.7 About the Registered Valuer:

#### A. Qualifications and Experience:

- **Educational Background:** I hold a Bachelor's degree in Commerce from Bangalore University.
- **Professional Credentials:** I am a qualified Chartered Accountant, currently practicing as a partner at Vishnu Daya & Co LLP, Chartered Accountants. My professional expertise includes Auditing & Assurance and Valuation Services, catering to a diverse clientele.

#### B. Professional Registrations and Certifications:

- **Registered Valuer:** I am registered with the Insolvency and Bankruptcy Board of India (IBBI) as a valuer for the asset classes of Securities and Financial Assets under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017. This registration has been in effect since March 2019.
- **Social Auditor Certification:** I have successfully completed the Social Auditor exam conducted by the National Institute of Securities Markets (NISM).

**Amithkumar Shenoy**

Registered Valuer- Securities or Financial Assets

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

- **Independent Director Certification:** I have passed the Independent Directors Data Bank exam conducted by The Indian Institute of Corporate Affairs (IICA).
- **Forensic Accounting and Fraud Detection:** I have undertaken the Forensic Accounting and Fraud Detection course offered by the Institute of Chartered Accountants of India (ICAI).
- **IND AS Certification:** Additionally, I have completed the IND AS certification course conducted by ICAI.

### 1.8 Disclosure of Registered Valuer's Interest or Conflict, if any

#### A. No Financial Interest

- **Current and Prospective Interests:** I affirm that I do not hold any current financial interest in Indian Terrain Fashions Limited. Furthermore, there are no prospective or contemplated financial interests in the company that could influence my valuation.
- **Promoters and Board of Directors:** I have no personal or financial relationships with the Promoters or the Board of Directors of Indian Terrain Fashions Limited. My relationship with the company is strictly professional, ensuring that my valuation is conducted with complete impartiality and objectivity.

#### B. Professional Fee Structure

- **Fee Basis:** My professional fee for conducting this valuation is determined based on my standard billing rates. Importantly, this fee is not contingent upon the outcome of the valuation or the determined value of the company's equity shares. There are no incentives or conditions tied to the results of the valuation that could compromise the integrity of my assessment.
- **Transparency and Integrity:** This fee structure underscores my commitment to maintaining the highest standards of transparency and integrity in the valuation process. The fee arrangement ensures that my professional judgment remains unbiased and solely based on the data and methodologies applied in this valuation.

By disclosing this information, I aim to provide assurance that the valuation has been conducted without any conflicts of interest, thus preserving the credibility and reliability of the valuation report.

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**Amithkumar Shenoy**  
Registered Valuer- Securities or Financial Assets





## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### BACKGROUND OF ITFL

Indian Terrain is one of India's leading fashion brands that caters to the needs of the cosmopolitan, upwardly-mobile young Indian men. Indian Terrain is the first high street brand in India to get the Fairtrade Label certification. The Company pride itself on its premium fabrics, superior tailoring and comfortable fits. Indian Terrain was founded by Mr. Venkatesh Rajagopal with the aim of providing men in India with premium smart-casual clothing. Indian Terrain was launched in 2000 and it de-merged from Celebrity Fashions Limited, the parent company, in 2010. The collection consists of a variety of apparel including shirts, t-shirts, trousers, shorts, winter-wear and denims for boys designed in interesting prints and patterns. Indian Terrain has a retail-oriented approach with offerings through 237 Exclusive Outlets, 800+ Multi Brand Outlets, 400+ doors of Large Format Stores and 4+ key e-commerce platforms with strong commitment to sustainability.

Please refer to company website <https://www.indianterrain.com/> for further details.

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### THE SOURCES OF INFORMATION

#### The following sources of information are used in preparing this valuation report:

- Audited Financial Statements as on 31st March 2024 and Unaudited Financial Statements of the company as on 30th June 2024.
- Annual Reports of the company for the Financial Year from 2019-20 till 2022-23.
- Capital Structure and Shareholding Pattern of the Company as on 30th June 2024;
- Market Price of the equity shares of the company available in National Stock Exchange ('NSE') and Bombay Stock Exchange ('BSE') web sites; and Memorandum and Articles of Association of the company.
- Interviews, correspondence, discussions and representations with/from the Management of the company
- Such other analysis, reviews and enquiries, as I considered relevant for this assignment
- Secondary research including research reports and so on and market data on comparable companies and information on recent transactions, to the extent readily available; and
- Such other information/analysis including those readily available in public domain (say, stock exchanges, MCA fillings), as considered relevant for the valuation engagement.

Besides the above information and documents, there may be other information provided by the Company which may not have been perused by me in any detail, if not considered relevant for the defined scope.

The Management of the Company has been provided with an opportunity to review the draft report for this engagement to make sure that factual inaccuracies and omissions are avoided in my final report and in this regard the Management has informed me that all material information impacting the Company has been disclosed in this report.

**Amithkumar Shenoy**  
Registered Valuer- Securities or Financial Assets





## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### PROCEDURES FOLLOWED

I have undertaken the following procedures covering my valuation exercise for the said valuation:

- Requested and received the relevant data (including the relevant financials and qualitative data) from the Management of the Company;
- Discussions with the Management on understanding of the businesses and fundamental factors that affect the earnings capacity of the businesses including historical performance, future plans and prospects, etc.
- Analysis and review of the past financials of the company.
- Analysis of market data and industry information available in the public domain which could affect the valuation;
- Strengths, Weakness, Opportunity, and Threat analysis of the industry.
- Selection of valuation approaches and valuation methodologies as considered appropriate by me.
- Analysis of other relevant facts and data, including consideration of the International Valuation Standards issued by The International Valuation Standards Council (IVSC).
- Computation of relative values to arrive at a valuation conclusion and to determine the fair equity share.
- Prepared and issued this valuation report as required under the applicable laws.

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### THE KEY FINANCIAL INFORMATION

➤ **Capital Structure:**

As on the date of this valuation report, the authorized capital and subscribed capital of the Company are as follows:

Particulars (details as on 16th August 2024)	Amount (Rs. In Crores)
Authorized Equity Share Capital	
6,00,00,000 Equity Shares of Rs. 2/- each	12.00
Issued, Subscribed, and Paid-up Equity Share Capital	
4,42,91,685 Equity Shares of Rs. 2/- each	8.86

➤ **Current Shareholding pattern**

The shareholding pattern of the Company as on 16<sup>th</sup> August 2024 is as follows:

**Equity Shares**

Category of Shareholders	No. of Fully Paid-Up Equity Shares Held (Face Value Rs. 2/-)	% of Holding
Promoter & Promoter Group	1,51,64,040	34.24%
Public	2,91,27,645	65.76%
<b>Total</b>	<b>4,42,91,685</b>	<b>100.00%</b>

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### THE VALUATION METHODOLOGY ADOPTED

This valuation report endeavors to ascertain the value of the entity using globally recognized valuation methodologies, encompassing the asset, market, and income approaches. Each approach offers a unique perspective, contributing to a comprehensive and balanced valuation.

#### **Key Valuation Methods:**

- a) **Discounted Free Cash Flow (DFCF) Method:** This method projects future earnings based on the anticipated performance of the company, discounting them to present value to determine the company's worth.
- b) **Capitalization of Earnings Method:** This method estimates a company's value by applying a capitalization rate to its normalized historical earnings, reflecting the business's ongoing profitability and expected return on investment. It's commonly used for stable companies with predictable earnings.
- c) **Net Asset Value (NAV) Method:** This approach evaluates the company's value based on the net value of its underlying assets, providing a clear picture of the entity's tangible worth.
- d) **Market Method:** This technique leverages publicly available data on similar companies to gauge the company's market value, offering insights grounded in real-world comparables.

Three of the above methods have been adopted; Market Price Method (Market Approach), Net Asset Value Method (Asset Approach) and Capitalization of earnings methods are used to estimate the Fair Value of the company; Also, the reason for not considering DFCF method is detailed in the section "Business Valuation Approaches and Methods"

#### **Information and Analysis:**

Our selection of valuation methods and the ensuing analysis are contingent upon the accuracy and completeness of the information provided by the company's management. The robustness of our valuation is thus dependent on the quality of data made available to us.

**Amithkumar Shenoy**  
Registered Valuer- Securities or Financial Assets



## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

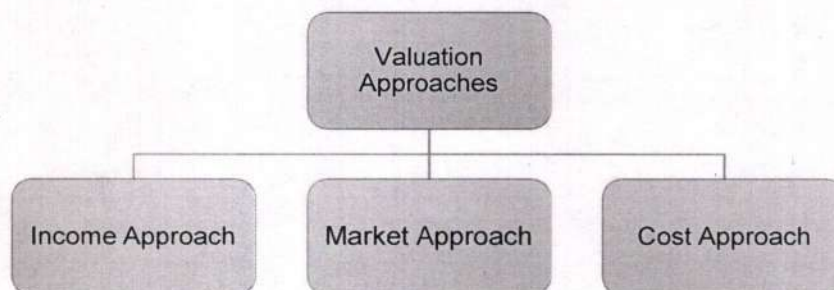
By adhering to these meticulously chosen methodologies, this valuation report ensures a dignified, top-rated assessment of the company's value, reflecting both its current standing and future potential.

### VALUATION BASES

- IVS Valuation Standard-104 provides "the Bases of value" (ie., standards of value) and it describes the fundamental premises on which the reported *values* will be based.
- It is critical that the basis (or bases) of value be appropriate to the terms and *purpose of the valuation* assignment, as a basis of value *may* influence or dictate a *valuer's* selection of methods, inputs and assumptions, and the ultimate opinion of *value*.
- In the instant case the 'Fair Value' base is considered for the purpose of arriving the value of the Company as per Discounted Free Cash Flow method under Income Approach.

### BUSINESS VALUATION APPROACHES AND METHODS

There are three fundamental ways to measure the value of a business or professional practice:



Under each approach, several methods are available which can be used to determine the value of a business enterprise. Each business valuation method uses a specific procedure to calculate the business value.

The standard of value used in my Analysis is "Fair Value" which is often defined as the price, in terms of cash or cash equivalent, that a willing buyer could reasonably be expected to pay, and a seller could reasonably be expected to accept, if the business were exposed for sale on the



## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

open market for a reasonable period of time, with both buyer and seller being in possession of the pertinent facts and neither being under any compulsion to act.

Valuation of a business is not an exact science and ultimately depends upon what is worth to a serious investor or buyer who may be prepared to pay substantial goodwill. This exercise may be carried out using various methodologies, the relative emphasis of each often varying with

- Specific nature of the business.
- Whether the entity is listed on a stock exchange.
- Industry to which the Company belongs.
- Past track record of the business and the ease with which the growth rate in cash flows to perpetuity can be estimated.
- Extent to which industry and comparable Company information is available.

This process of concluding the business value is referred to as the business value synthesis.

### Asset Approach:

The asset approach to business valuation considers the underlying business assets in order to estimate the value of the overall business enterprise. This approach relies upon the economic principle of substitution and seeks to estimate the costs of re-creating a business of equal economic utility, i.e. a business that can produce the same returns for its owners as the subject business.

The value arrived at under this approach is based on the Assets owned by the business.

Net Asset Value of ITFL (in Rs. Crores) – as per unaudited Financials of 30 <sup>th</sup> June 2024		
	Equity Share Capital	8.86
	Add: Other Equity (Reserves & Surplus)	172.64
(A)	<b>Total</b>	<b>181.50</b>
(B)	Number of Equity Shares as on Relevant Date	4,42,91,685
	<b>NAV per Equity Share in Rs. [(A) / (B)]</b>	<b>40.98</b>

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### **Market Approach**

Under the Market Approach to business valuation, one consults the market place for indications of business value. Most commonly, sales of similar businesses are studied to collect comparative evidence that can be used to estimate the value of the subject business. This approach uses the economic principle of competition which seeks to estimate the value of a business in comparison to similar businesses whose value has been recently established by the market.

### **The business valuation methods under the Market Approach are as below:**

#### **➤ Comparable Company Market Multiple Method**

Under this methodology, market multiples of comparable listed companies are computed and applied to the business being valued in order to arrive at a multiple-based valuation. The difficulty here is in the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, and profitability and accounting practices.

I have not considered this method as the Company is into the retail business of wearing and apparels and I am unable to find assets in the public domain (in terms of its Business Operations, Management/Entrepreneurial Skills, Number of Employees, Operating Income, Profit Before Tax, Profit After Tax, EBITDA, EBIT, Front/Back Office processes framework, supply chain networks, banking, customer and all other stakeholders relationship, geography of operations and so on) which could be looked at from a comparable perspective. As such, I have not conducted the CCM method to value the Company.

#### **➤ Market Price Method**

ITFL, is a listed entity, having equity shares listed on both NSE and BSE. The market price of equity shares of ITFL has been determined as per SEBI ICDR 2018, as updated till the date of this report.

- **Frequently Traded Shares:**

Regulation 164(5) of SEBI ICDR provides for 'frequently traded shares means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer.

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

In this regard,

- a. it has been observed that the highest trading volume of ITFL has been recorded in NSE during the preceding 90 trading days prior to the relevant date;
- b. it has been observed that during the 240 trading days preceding the relevant date, more than 10% of the total number of equity shares of ITFL has been traded in NSE.

Hence, trade data of NSE has been used in determination of price as per Regulation 164(1) and (4) of SEBI ICDR.

- **Pricing of frequently traded shares:**

Regulation 164(1) of SEBI ICDR requires for frequently traded shares, the higher of the following to be considered as the minimum price to be allotted pursuant to preferential issue:

- a. the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date- this works out to Rs. 70.07/- per equity share of Rs. 2/- fully paid up; or
- b. the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date - this works out to Rs. 62.26/- per equity share of Rs. 2/- fully paid up

Note: Kindly refer to Annexure – A and B for trading data of 10 days and 90 days preceding the relevant date of NSE.

- **Preferential Issue to Qualified Institutional Buyers (Regulation 164 (4) of SEBI ICDR):**

The company has confirmed that there were no Qualified Institutional Buyers and accordingly the provisions mentioned under Regulation 164 (4) of SEBI ICDR for their planned issue of equity share on preferential basis shall not be applicable.

**Amithkumar Shenoy**  
Registered Valuer- Securities or Financial Assets



## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

- **Any other Method of valuation as per Articles of Association:**

Further Regulation 164 (1) of SEBI ICDR requires "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".

Article of Association of the company does not provide for any method for determination of floor price.

- **Control Premium:**

Regulation 166A provides for "if any proposed preferential issue is likely to result in a change in control of the issuer, valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined".

The company has confirmed that there is no change in control pursuant to issue of equity shares on preferential basis and hence no control premium is factored in the price determination.

- **Optional pricing in preferential issue (Regulation 164B of SEBI ICDR):**

Optional pricing in preferential issue is not applicable to the planned issue of equity shares by ITFL in terms of Regulation 164B (4) of SEBI ICDR.

- **Adjustments in pricing - Frequently and Infrequently traded shares (Regulation 166 of SEBI ICDR):**

The company has confirmed to me that regulation 166 of SEBI ICDR is not applicable to their planned issue of equity shares on preferential basis.

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### **Income Approach**

The Income Approach to business valuation uses the economic principle of expectation to determine the value of a business. To do so, one estimates the future returns the business owners can expect to receive from the subject business. These returns are then matched against the risk associated with receiving them fully and on time.

The returns are estimated as either a single value or a stream of income expected to be received by the business owners in the future. The risk is then quantified by means of the so-called capitalization or discount rates.

The methods which rely upon a single measure of business earnings are referred to as direct capitalization methods. Those methods that utilize a stream of income are known as the discounting methods. The discounting methods account for the time value of money directly and determine the value of the business enterprise as the present value of the projected income stream.

### **The methods under the Income Approach include:**

- Discounted cash flow method:
- Multiple of discretionary earnings method.
- Capitalization of earnings method.

### **Discounted Free Cash Flow Method (DFCF Method)**

The Discounted Free Cash Flow (DFCF) method is a robust and widely accepted valuation technique that focuses on the future free cash flows of the company. These cash flows are discounted by the cost of capital or equity to determine their present value. This method is particularly strong because it emphasizes the cash generation potential of a business, making it a forward-looking approach that is broadly recognized in the financial community.

The management of the company has informed that future business financial projections are price-sensitive in nature and hence, fair value estimation is not attempted as per DCF method.



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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### Capitalization of earnings method

Average profits (past performance) are capitalized at a proper rate of return, as applicable to the company and the industry. The Capitalization approach can be structured in the following steps:

- Determine adjustments for extraordinary items, abnormal losses, taxation, appropriate weights to profits etc.
- Decide on the blend of past (and future) years to be considered.
- Determining the maintainable profits based on a blend of past (and future financials), evaluating what is best reflective of the potential of the company.
- Determination of the capitalization rate, which represents a rate of return that considers the relative risk of the Company.
- Determine the value of the business (operational assets) based on the maintainable profits as arrived at the appropriate capitalization rate determined.

The idea of Capitalization of earnings method method is to arrive at an indicative fair value of the company based on its actual performance.

Value of Equity Share based on Capitalization Method (in Rs. Crore)						
Year	2019-20	2020-21	2021-22	2022-23	2023-24	Total
Revenue from operations	369.66	213.17	336.30	500.80	456.01	---
PAT	(10.34)	(30.75)	(2.20)	7.09	(14.93)	---
PAT %	(2.79)%	(14.43)%	(0.65)%	1.42%	3.27%	---
Weightage	0	0	1	2	3	6
Weighted Average	0	0	(2.20)	14.18	(44.79)	(32.81)
Moderated PAT						(5.47)
Capitalisation Rate						11%
Fair Value per Equity Share (in Rs.)						(49.73)

*Higher weightage provided to recent performance.*

*FY 2020 and FY 2021 ignored because of COVID impact on business operations.*

Fair Value of an equity share of ITFL based on PECV method (Income Approach) is estimated at Rs. (49.73)/-

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Registered Valuer- Securities or Financial Assets





## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### CALCULATION OF FAIR VALUE:

Management of the Company have confirmed to me:

- That there are no unusual/abnormal events in the company since the date of last audited report till the valuation report date materially impacting their operating/financial performance.
- That there are no major compliance or regulatory issues, both under a court of law or otherwise, which would significantly undermine the premise of value (i.e.,) Going concern Use of the Assets being valued and if such issues exists/arises, the Company are capable of defending themselves successfully.

#### 1. Calculation of Price as per regulation 164(1) of SEBI ICDR 2018:

Market Price (90 trading days volume weighted average price quoted at NSE during the 90 trading days preceding the relevant date) [Refer Annexure B]	<b>Rs. 70.07/-</b>
Market Price (10 trading days volume weighted average price quoted at NSE during the 10 trading days preceding the relevant date) [Refer Annexure A]	<b>Rs. 62.26/-</b>
<b>Whichever is higher as above</b>	<b>Rs. 70.07/-</b>

Hence, the price of an equity share of ITFL is estimated at Rs. 70.07/- as per Regulation 164 (1) of SEBI ICDR 2018.

The ultimate analysis of arriving at the estimated fair value of the company has been tempered by the exercise of judicious discretion by me and judgment taking into accounts all the relevant factors (which I consider appropriate and relevant for the valuation exercise). There will always be many factors, e.g. management capability, present and prospective competition, yield, economic challenges (macro/micro) and also those specific to the industry and the company (say, pandemic, political stability, and so on), which are not evident from the face of the Audited/Provisional/Projections but will strongly influence the value of the business.

**Amithkumar Shenoy**  
Registered Valuer- Securities or Financial Assets



## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

I have used all three approaches and all the methods in them) to arrive at the conclusion. My analysis is only an indicative of the fair value of the company. The company and/or any other person (interested or otherwise) may use different methodologies or may arrive at different value ranges using the same methodologies depending upon their perception and the parameters that they feel have a greater significance. It should be noted here that the valuation of an asset is an estimate of the worth of that asset which is arrived at after factoring in multiple parameters and externalities and the same may not be the actual price of that asset and the market may discover a different price for that asset.

### 2. Calculation of Fair Value per Equity Share (in Rs.)

Fair Value Per Equity Share (in Rs.)				
Approach	Method	Fair Value	Weightage	Weighted Value
Asset	NAV	40.98	10.00%	4.09
Income	Capitalization of Earnings	(49.73)	10.00%	(4.97)
Market	Market Price	70.07	80.00%	56.06
Fair Value per Equity Share				Rs. 55.18/-

Higher weightage provided to Market Price reflecting relevance of market; and same weightage provided to other methods.

The Fair Value of an equity share of Rs. 2/- fully paid is estimated at Rs. 55.18/-

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### 3. Summary of Valuation:

#### Non-applicability of Regulation 164 (2) of SEBI ICDR:

As the equity shares of ITFL has been listed in recognised stock exchange for more than 90 trading days, regulations 164 (2) of SEBI ICDR is not applicable.

Price per Equity Share as per Regulation 164 (1) of SEBI ICDR 2018	Rs. 70.07/-
Price per Equity Share as per Regulation 164 (2) of SEBI ICDR 2018	Not Applicable
Price per Equity Share as per Regulation 164 (4) of SEBI ICDR 2018	Rs. 70.07/-
Fair Value per Equity Share as per Regulation 166A (1) of SEBI ICDR 2018	Rs. 55.18/-
Price Calculated as per Articles of Association of the Company	Not Applicable
Whichever is higher as above (as per proviso to regulation 166A (1) of SEBI ICDR 2018)	Rs. 70.07/-
Minimum price per Equity Share as per Part IV of Chapter V pertaining to 'Preferential Issue' of SEBI ICDR 2018	Rs. 70.07/-

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### CAVEATS, LIMITATIONS AND DISCLAIMERS

#### 1. Restrictions on the use of valuation report

This valuation report has been prepared for the purpose stated herein and should not be relied upon for any other purpose. My client is the only authorized user of this report and is restricted for the purpose stated. I do not take any responsibility for the unauthorized use of this report. The report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.

#### 2. My responsibility

I owe responsibility only to my client that has appointed me under the terms of the engagement letters. I will not be liable for any losses, claims, damages, or liabilities arising out of the action taken, omissions, or advice given by any other person. In no event shall I be liable for any loss, damages, cost, or expense arising in any way from fraudulent acts, misrepresentations, or willful default on part of the client or companies, their directors, employees, or agents.

The decision to carry out the transaction (including consideration thereof) lies entirely with the management and my work and my findings shall not constitute a recommendation as to whether or not the management should carry out the transaction.

#### 3. Declaration of Independence

I am independent of the company and have no current or expected interest in the company or its assets. The fee paid for my services in no way influenced the results of my analysis.

#### 4. Accuracy of information

While my work has involved an analysis of financial information & accounting records, my engagement does not include an audit in accordance with generally accepted auditing standards of the client's existing business records. Accordingly, I express no audit opinion or any other form of assurance on this information.



**Amithkumar Shenoy**  
Registered Valuer- Securities or Financial Assets



## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

Accordingly, I assume no responsibility and make no representation with respect to the accuracy or completeness of any information provided by and on behalf of the client. My report is subject to the scope and limitations detailed in this report. 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.

### 5. Post-valuation date events

The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.

### 6. Range of value estimate

The valuation of companies and businesses is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value, and an estimate of the value is normally expressed as falling within a likely range. However, to comply with the client's request, I have provided a single value for the company. Whilst I consider my value or values to be both reasonable and defensible based on the information available to me, others may place a different value.

### 7. Reliance on the representations of the clients, their management and other third parties

The company and its management/representatives have assured me that the information they supplied was complete, accurate and true and correct to the best of their knowledge.

I have relied upon the representations of the clients, their management, and other third parties concerning the financial data, operational data, and maintenance schedule of all plant-machinery-equipment-tools-vehicle, real estate investments, and any other investments in tangible assets except as specifically stated to the contrary in the report.

**Amithkumar Shenoy**  
Registered Valuer- Securities or Financial Assets





## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

I shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the companies, their directors, employees, or agents. The management has represented that the companies have clear and valid title of asset. No investigation on the company's claim to such rights has been assumed to be valid.

**8. No procedure performed to corroborate information taken from reliable external sources**

I have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, I assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis.

Where I have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

**9. Compliance with relevant law**

The report assumes that the client complies fully with relevant laws and regulations applicable in its area of operations and usages unless otherwise stated, and that the companies will be managed in a competent and responsible manner.

Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the financial statements and other information provided to me.

My report is not, nor should it be construed as my opining or certifying the compliance of the proposed transaction with the provisions of any law including companies, competition, taxation and capital market-related laws, or as regards any legal implications or issues arising in India or abroad.

**Amithkumar Shenoy**  
Registered Valuer- Securities or Financial Assets





## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### 10. Multiple factors affecting the valuation report

The valuation report is tempered by the exercise of judicious discretion by the RV, taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities markets sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.

### 11. Subsequent events

An analysis of such nature is necessary based on the prevailing stock market, financial economic, and other conditions in general and industry trends in particular as in effect on, and the information made available to me as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and I do not assume any obligation to update, revise or reaffirm this Report.

### 12. Future services including but not limited to testimony or attendance in courts/tribunals/authorities for the opinion of values in the valuation report

I am fully aware that based on the opinion of value expressed in this report, I may be required to give testimony or attend court/ judicial proceedings with regard to the subject assets, although it is out of the scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law.

In such event, the party seeking my evidence in the proceedings shall bear the cost/professional fee of attending court/ judicial proceedings, and my tending evidence before such authority shall be under the applicable laws.

### 13. Other Caveats

While my work has involved an analysis of financial information and accounting records, my engagement does not include an audit in accordance with generally accepted auditing standards of the client's existing business records.

Accordingly, I assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and on behalf of you and the client. My report is subject to the scope and limitations detailed hereinafter.

**Amithkumar Shenoy**  
Registered Valuer- Securities or Financial Assets

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

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.

- a) The actual market price achieved may be higher or lower than my estimate of value depending upon the circumstances of the transaction (for example the competitive bidding environment), and the nature of the business (for example the purchaser's perception of potential synergies). The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect the actual market price achieved.

Accordingly, my valuation conclusion will not necessarily be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree. I also emphasize that my opinion is not the only factor that should be considered by the parties in agreeing the transaction price.

- b) In the course of the valuation, I was provided with both written and verbal information. I have, however, evaluated the information provided to me 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.

My conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company.

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## VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

### VALUATION SUMMARY:

Based on the assumptions, limiting conditions detailed in the appended report, and the prevailing facts and circumstances as of the valuation date, the Fair Value of equity shares of ITFL of Rs. 2/- each fully paid up is estimated at **Rs. 55.18/-** and the price of equity shares of ITFL of Rs. 2/- each fully paid as per relevant pricing regulation of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('SEBI ICDR') is arrived at **Rs. 70.07/-**

The Audit Committee and/or Board of ITFL is advised as below:

Part IV of Chapter V of SEBI ICDR provides for determination of issue price pertaining to 'Preferential Issue'. Proviso to regulation 166A (1) of SEBI ICDR provides that higher of price, as determined under regulation 164 of SEBI ICDR and the price determined as per the valuation report of an independent Registered Valuer, be considered. Accordingly, the price of equity shares which ITFL intends to issue on a preferential basis shall **NOT BE LESS THAN Rs. 70.07/- for every equity share of Rs. 2/- fully paid up, subject to commercial negotiation between the company and prospective investor(s) (to whom the equity shares are planned to be issued on preferential basis) respectively.**

Yours sincerely,

**Amithkumar Shenoy**

*A.K. Shenoy*



Registered Valuer for Asset Class- Securities or Financial Assets

Certificate of Practice No. IOVRV00610SFA

IBBI Registration No. IBBI/RV/02/2019/11584

IOVRVF Membership No. IOVRVF/VM/F&SA/5450

VRN: IOV/2024-2025/7418

Place: Bangalore

Date: August 16, 2024

**Amithkumar Shenoy**

Registered Valuer- Securities or Financial Assets

# VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

## Annexure – A

10 trading days volume weighted average prices of the equity shares ITFL traded in NSE preceding the relevant date (16<sup>th</sup> August 2024)

Trading Days	Date	VWAP (in Rs.)	Volume	Turnover (in Rs.)	No. of Trades
1.	01-Aug-24	70.93	2,49,389	1,76,88,777	3,931
2.	02-Aug-24	69.14	3,55,233	2,45,60,960	5,295
3.	05-Aug-24	66.57	2,27,343	1,51,35,025	5,471
4.	06-Aug-24	62.51	20,98,604	13,11,79,880	17,054
5.	07-Aug-24	56.71	5,49,158	3,11,40,150	5,873
6.	08-Aug-24	59.39	6,38,692	3,79,31,154	6,853
7.	09-Aug-24	60.15	2,06,601	1,24,26,826	3,302
8.	12-Aug-24	61.61	4,28,536	2,64,02,754	5,267
9.	13-Aug-24	61.44	1,76,475	1,08,42,331	3,383
10.	14-Aug-24	59.38	1,32,409	78,62,084	2,442
<b>Total</b>			<b>50,62,440</b>	<b>31,51,69,940</b>	<b>---</b>
<b>Floor Price</b>			<b>Total Turnover / Total Volume</b>		
			<b>Rs. 62.26/-</b>		

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# VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

## Annexure – B

90 trading days volume weighted average prices of the equity shares ITFL traded in NSE preceding the relevant date (16<sup>th</sup> August 2024)

Trading Days	Date	VWAP (in Rs.)	Volume	Turnover (in Rs.)	No. of Trades
1.	04-Apr-24	74.79	1,57,625	1,17,88,871	1,685
2.	05-Apr-24	76.16	1,23,155	93,79,002	1,337
3.	08-Apr-24	77.16	2,63,938	2,03,66,685	1,755
4.	09-Apr-24	76.02	1,33,695	1,01,62,969	1,232
5.	10-Apr-24	76.42	1,23,590	94,44,415	920
6.	12-Apr-24	75.00	1,72,503	1,29,38,332	1,363
7.	15-Apr-24	72.51	2,30,418	1,67,07,369	2,085
8.	16-Apr-24	74.07	92,454	68,48,018	827
9.	18-Apr-24	74.57	1,13,534	84,66,640	833
10.	19-Apr-24	73.36	1,45,567	1,06,78,288	811
11.	22-Apr-24	75.35	2,12,155	1,59,85,722	1,409
12.	23-Apr-24	74.81	83,951	62,80,470	910
13.	24-Apr-24	77.23	5,94,427	4,59,07,409	3,230
14.	25-Apr-24	75.43	85,380	64,39,885	854
15.	26-Apr-24	75.13	1,84,184	1,38,38,248	1,204
16.	29-Apr-24	73.99	91,739	67,88,001	828
17.	30-Apr-24	74.25	1,71,003	1,26,97,068	1,225
18.	02-May-24	74.22	1,74,420	1,29,44,656	1,177
19.	03-May-24	74.13	74,834	55,47,070	742
20.	06-May-24	71.77	1,80,082	1,29,23,745	1,828
21.	07-May-24	71.42	94,528	67,51,261	1,067
22.	08-May-24	70.98	73,126	51,90,702	839
23.	09-May-24	70.40	41,103	28,93,534	486
24.	10-May-24	70.56	49,612	35,00,407	456
25.	13-May-24	70.54	58,934	41,57,373	874
26.	14-May-24	70.99	63,890	45,35,606	527
27.	15-May-24	71.03	60,321	42,84,657	547
28.	16-May-24	70.78	27,657	19,57,439	472
29.	17-May-24	71.60	36,132	25,87,061	356
30.	18-May-24	70.97	8,558	6,07,352	177
31.	21-May-24	71.39	70,304	50,19,317	563
32.	22-May-24	71.36	67,037	47,83,810	448
33.	23-May-24	74.06	2,73,550	2,02,58,871	1,624
34.	24-May-24	72.39	2,45,529	1,77,74,739	1,762
35.	27-May-24	70.54	76,815	54,18,530	777
36.	28-May-24	68.38	1,15,810	79,19,579	1,646
37.	29-May-24	67.50	60,293	40,69,495	617
38.	30-May-24	68.35	2,62,683	1,79,53,591	1,927
39.	31-May-24	65.49	2,05,848	1,34,80,476	2,278
40.	03-Jun-24	63.84	1,21,153	77,34,197	1,086
41.	04-Jun-24	57.47	2,86,237	1,64,49,008	2,570





# VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

42.	05-Jun-24	59.93	76,282	45,71,817	838
43.	06-Jun-24	62.20	52,770	32,82,489	869
44.	07-Jun-24	62.39	69,165	43,15,441	739
45.	10-Jun-24	63.41	71,644	45,42,986	868
46.	11-Jun-24	64.14	67,234	43,12,215	948
47.	12-Jun-24	66.26	75,093	49,75,705	833
48.	13-Jun-24	66.93	66,238	44,33,011	663
49.	14-Jun-24	66.54	99,329	66,08,887	1,049
50.	18-Jun-24	67.29	1,45,512	97,91,167	1,559
51.	19-Jun-24	65.73	52,365	34,41,957	1,120
52.	20-Jun-24	66.04	1,23,623	81,64,334	1,460
53.	21-Jun-24	65.73	1,01,058	66,42,798	1,616
54.	24-Jun-24	65.00	70,172	45,61,280	1,079
55.	25-Jun-24	66.68	2,38,533	1,59,04,537	3,073
56.	26-Jun-24	66.90	83,821	56,07,679	1,220
57.	27-Jun-24	68.21	1,96,125	1,33,77,881	1,973
58.	28-Jun-24	74.54	16,28,308	12,13,68,550	14,679
59.	01-Jul-24	77.61	9,31,388	7,22,85,880	11,474
60.	02-Jul-24	77.32	4,06,144	3,14,04,081	4,889
61.	03-Jul-24	76.22	1,68,862	1,28,70,556	2,904
62.	04-Jul-24	76.42	1,61,346	1,23,29,350	2,794
63.	05-Jul-24	75.91	1,30,822	99,31,156	3,089
64.	08-Jul-24	74.91	1,13,595	85,09,048	1,839
65.	09-Jul-24	72.29	2,72,504	1,96,98,757	3,424
66.	10-Jul-24	70.28	4,82,285	3,38,94,656	3,853
67.	11-Jul-24	72.64	4,06,922	2,95,57,452	3,024
68.	12-Jul-24	71.49	1,34,017	95,81,112	1,928
69.	15-Jul-24	72.15	1,32,340	95,47,887	2,450
70.	16-Jul-24	76.83	10,24,228	7,86,89,268	7,847
71.	18-Jul-24	72.23	2,44,464	1,76,57,641	3,790
72.	19-Jul-24	70.38	98,683	69,45,270	2,271
73.	22-Jul-24	69.30	1,22,772	85,08,098	1,945
74.	23-Jul-24	69.20	1,14,592	79,30,099	3,419
75.	24-Jul-24	71.18	2,15,137	1,53,13,477	4,039
76.	25-Jul-24	71.64	1,20,466	86,29,995	2,868
77.	26-Jul-24	72.90	2,60,287	1,89,73,707	4,508
78.	29-Jul-24	72.69	2,59,029	1,88,27,770	4,389
79.	30-Jul-24	71.21	4,26,951	3,04,01,319	4,176
80.	31-Jul-24	70.65	5,20,193	3,67,54,205	6,955
81.	01-Aug-24	70.93	2,49,389	1,76,88,777	3,931
82.	02-Aug-24	69.14	3,55,233	2,45,60,960	5,295
83.	05-Aug-24	66.57	2,27,343	1,51,35,025	5,471
84.	06-Aug-24	62.51	20,98,604	13,11,79,880	17,054
85.	07-Aug-24	56.71	5,49,158	3,11,40,150	5,873
86.	08-Aug-24	59.39	6,38,692	3,79,31,154	6,853
87.	09-Aug-24	60.15	2,06,601	1,24,26,826	3,302
88.	12-Aug-24	61.61	4,28,536	2,64,02,754	5,267





# VALUATION REPORT OF INDIAN TERRAIN FASHIONS LIMITED

89.	13-Aug-24	61.44	1,76,475	1,08,42,331	3,383
90.	14-Aug-24	59.38	1,32,409	78,62,084	2,442
<b>Total</b>			<b>2,07,34,513</b>	<b>1,45,27,73,326</b>	<b>---</b>
<b>Floor Price</b>			<b>Total Turnover / Total Volume</b>		
			<b>Rs. 70.07/-</b>		

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