Miti Shah & Associates

Chartered Accountant

PRIVATE & CONFIDENTIAL

24 February, 2025

To,
The Board of Directors
Buildminds Real Estate Private Limited
701 Aerocity Building, NIBR Compound,
Mohili Village, Sakinaka, Safed Pool,
Mumbai 400072
Maharashtra

Sirs,

Sub: Determination of fair value of Compulsorily Convertible Preference Shares of Buildminds Real Estate Private Limited ('Buildminds Real Estate' or 'the Company') for compliance with the provisions of the Companies Act, 2013 and the Rules made thereunder

1. BACKGROUND AND ENGAGEMENT SCOPE

Buildminds Real Estate Private Limited is a Company incorporated under the Companies Act, 2013 having CIN: U55101MH2024PTC423912. The Company was incorporated on 23 April, 2024 and has its registered office in Mumbai, Maharashtra. While the Company was originally incorporated to carry on the business of construction and real estate, it has amended its Memorandum of Association to engage in the business of *inter-alia* hotels of every kind and sort including hotel rooms, resorts, serviced apartments, providing timeshare and fractional ownership.

The authorised share capital of the Company as on the date of valuation is INR 15,01,00,000 divided into 100,000 equity shares of INR 1/- each and 15,00,00,000 compulsorily convertible preference shares of INR 1/- each.

The Company is closely-held and its shares are not traded on any recognized stock exchanges in India.

The paid-up share capital of the Company as on the valuation date is as follows:

Sr No	Class of Shares	Number of Shares	Paid up Capital (INR)
1	Ordinary Equity Shares of INR 1 each	10,000	10,000
2	Compulsorily Convertible Preference Shares	12,00,00,000	12,00,00,000
Total		**12,00,10,000**	**12,00,10,000**

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26 Sangeeta Apartments, Building 7B, Revdankar Marg, Off Juhu Tara Road, Mumbai 400049
E-mail: miti@summisadvisors.com Phone: +91 98201 23119

The shareholders as on the valuation date are:

Sr. No.	Name of Shareholder	Number of equity shares held of INR 1/ each	Paid up Capital (INR)
1.	Pravalah Hospitality Private Limited along with its nominees	10,000	10,000
	Total	**10,000**	**10,000**

The Company has also issued 12,00,00,000 Series A Compulsorily Convertible Preference Shares ('**CCPS**') of INR 1/- each to Pravalah Hospitality Private Limited.

The details of the Board of Directors as on the valuation date are:

DIN/DPIN/PAN	Name	Designation	Date of Appointment
09287838	Mr Ashwinder Singh Matharu	Director	23 April, 2024
02082205	Mr Sagar Dhaku Gawde	Director	23 April, 2024

2. PROPOSED TRANSACTION

Based on discussions with the management, I understand that the Company proposes to issue 2,99,68,333 Series B CCPS on a private placement basis, of INR 1/- each to Schloss Bangalore Limited (along with its nominees).

The terms of the Series B CCPS are attached as **Annexure 3** to this report.

Given the above, I have been appointed by the Company, as an Independent Valuer, to determine the value of the Series B CCPS to be issued by the Company, in compliance with the Companies Act, 2013 and Rule 13 of The Companies (Share Capital and Debenture) Rules, 2014.

The valuation date is 24 February, 2025 ('**Valuation Date**').

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3. VALUE RECOMMENDATION

The Net Asset Value (**'NAV'**) method has been adopted to determine the fair value of the Series B CCPS of the Company. Please refer to **Section 4 - Valuation Methodologies** for a discussion on the various valuation approaches available and the reason why the NAV method was chosen as the most appropriate method in this case.

Based on our valuation using the NAV method, the fair value of the equity shares of the Company on a fully diluted basis is **INR 108,256,952 ie INR 0.90 per equity share**. Kindly refer to **Annexure 1** for a detailed analysis of the same.

As per the terms of the Series B CCPS provided, the maximum conversion ratio for each CCPS cannot exceed 1:1 (ie in any eventuality, the maximum equity shares that each Series B CCPS can be converted into is 1 equity share). Accordingly, we believe that fair value of each Series B CCPS should also be **INR 0.90.** However**,** since issuance of CCPS cannot be below their face value, the proposed issuance of the Series B CCPS at their face value of INR 1 each is in compliance with the provisions of the Companies Act, 2013 and the applicable Rules thereunder.

If there are any questions or in the event additional information is required from our end, please do feel free to contact us.

Sincerely yours,

Miti Shah

Miti Shah & Associates Chartered Accountants

Miti Shah & Associates
Chartered Accountant
Registered Valuer – (Securities or Financial Assets)
Reg. No. IBBI/RV/06/2021/14430
Date: 24 February, 2025
UDIN: 25115783BMMLQA8137

4. VALUATION METHODOLIGIES

The key features of the Series B CCPS are:

- The CCPS will have a face value of INR 1 (Indian Rupees One Only) each.
- Unless converted, the term of each series of CCPS shall be shall be a maximum of 19 (nineteen) years and 11 (eleven) months from the date of allotment of first tranche of the CCPS.
- The CCPS shall be freely transferrable and marketable, subject to the transfer restrictions set out in the terms of the Shareholders Agreement.

Given that Series B CCPS need to be valued as equity instruments, in order to determine the fair value of the CCPS, I shall need to value the equity shares of the Company.

Buildminds Real Estate is an unlisted entity, ie the equity shares of the Company are not listed on any recognized stock exchange. Accordingly, internationally accepted valuation approaches and methods have been considered to determine the fair value of equity shares of the Company.

There are various approaches which may be used for valuation of a privately held company:

- The Market Approach
- The Income Approach
- The Cost or Asset Approach

In performing a valuation exercise, the valuer should consider all three approaches and select the most appropriate approach. The selection would involve consideration of various factors such as the history, nature, stage of the development of the company, the nature of its assets and liabilities, its capital structure and also the availability of reliable, comparable and verifiable data that will be required to perform the analysis.

The various methodologies considered for the said valuation are explained as below:

Market Approach

<u>Comparable Companies' Multiples Method</u>

Valuation under the Market Approach entails the application of appropriate market-based multiples selected from comparable companies. This method is based on idea of determination of the price at which the company will be exchanged in the public market and is particularly useful for valuing companies that are currently profitable and expected to continue making profits in the foreseeable future.

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Comparable Transactions Multiples Method

This method uses multiples derived from valuation of comparable companies based on M&A deals involving comparable companies. This method is based on the principle that comparable transactions/ market valuations taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

Buildminds Real Estate is not a listed company; further, I do not have adequate information available for comparable companies or recent transactions of comparable or identical businesses which have been traded in the active market. I have therefore not considered the Market Approach as an appropriate method for this valuation.

Income Approach

Under this approach, the value of a business is determined based on the present value of its future earnings/ cash flows. Expected returns on an investment are discounted or capitalized at an appropriate rate of return to reflect investor risks and hazards.

The most commonly used income approach is the DCF method. DCF represents the net present value ('**NPV**') of projected cash flows from the business to all providers of capital, net of the cash needed to be invested for generating the projected growth. The concept of DCF method is based on the principle that the value of a business or asset is inherently based on its ability to generate cash flows for the providers of capital.

The DCF method can be applied where the asset does not have any/ has fewer market comparables or comparable transactions or where the asset is an income producing asset for which the future cash flows are available and can reasonably be projected.

The Company currently holds only land as its primary asset. Pre-development approvals are still underway and conversion permission for development of hotels has not yet been secured. In this scenario, the Management believes that future revenues cannot be reasonably projected. As a result, projected cash flows from the business are not available. Accordingly, the DCF method has not been used to determine the fair market value of the equity shares of the Company.

Cost or Asset Approach

The cost approach is used to determine the value of a business based on the Fair Market Value (**'FMV'**) of the net assets of the business. This approach is based on the inherent assumption that the value of a business or investment can be determined based on the cost to rebuild or cost to replace the assets owned by a business.

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As mentioned above, the Company currently holds only land as its primary asset, with additional approvals etc still underway. With the business still in the nascent stage, we believe that the FMV of the net assets of the Company will reflect the true value of its earning potential. Hence, we have considered the cost approach of valuation considering the specifics of the case. This method uses the value of the net assets carried in the balance sheet of the entity to derive the equity value.

We have based our calculations on the financial position of the Company as on 24 February, 2025 to arrive at the book values of the assets and liabilities.

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5. SCOPE LIMITATIONS

- My work does not constitute an audit in accordance with the generally accepted auditing standards or an examination of internal controls or other attestation or review services. Accordingly, I am unable to and do not express an opinion or any form of assurance on the financial projections or any financial or other information or any operational data and internal controls of the company. No responsibility is assumed for matters of a legal nature. I was not required to carry out a legal due diligence review.

- Valuation analysis and results are specific to the purpose of valuation and the valuation date that is agreed with us. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

- The valuation arrived at in this report is based on the methodology outlined and assumptions listed. It is not representative of market value which may be realized, as market value is dependent on capital market conditions, industry forecasts, enterprise value and several other factors.

- I have relied on the information contained in the public domain and other documents in our possession concerning the value and useful conditions of all investments in securities or partnership interests, and other assets or liabilities except as specifically stated to the contrary in this report.

- The fee for the preparation of this report is not contingent to or dependent on the reported value of the shares of the company. I acknowledge that I do not have any present or contemplated financial interest in the Company.

- A draft of this report was shared with the Management for confirmation of facts and other inputs provided by the Management. The draft report has been duly confirmed by them for the facts etc.

- The information contained herein and our report is absolutely confidential. This report is only to be used in its entirety and for the purpose stated in the report. No third party should rely on the information or data contained in this report without the advice of a Registered Valuer, Accountant or Legal Advisor.

- This report is subject to the laws of India.

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Annexure 1

BUILDMINDS REAL ESTATE PRIVATE LIMITED		
CALCULATION OF FAIR VALUE OF EQUITY SHARES BASED ON THE NET ASSETS METHOD AS PER THE UNAUDITED FINANCIAL STATEMENTS AS ON THE VALUATION DATE		
Sr No	**Particulars**	**Amount (INR)**
I	Assets:	
1	**Non-Current Assets**	
	(a) Fixed Assets *(Refer Note 1)*	11,00,00,000
	(i) Tangible Assets	-
	(ii) Intangible Assets	-
	(iii) Capital Work in progress	-
	(b) Non Current Investments	-
	(c)Long Term Loans and Advances	-
	Total Non-current Assets (A)	**11,00,00,000**
2	**Current Assets**	
	(a) Inventories	-
	(b) Trade Receivables	-
	(c) Cash and Cash Equivalents	12,02,920
	(d) Short term Loans and Advances	-
	(e) Other Current Assets	-
	Total Current Assets (B)	**12,02,920**
	Total Assets (C = A + B)	**11,12,02,920**
II	**Liabilities:**	
	Non-Current Liabilities	
	Long Term Borrowings	-
	Total Non-Current Liabilities (D)	**-**
2	**Current Liabilities**	
	(a) Short Term Borrowings	-
	(b) Trade Payables	17,45,918
	(c) Other Current Liabilities	12,00,050
	(d) Short Term provisions	-
	Total Current Liabilities (E)	**29,45,968**
	Total Liabilities (F = D + E)	**29,45,968**
	Book Value of Equity Share Capital (G =C-F)	**10,82,56,952**
	Number of equity shares on a fully diluted basis including 12,00,00,000 CCPS issued by the Company (H) *(Refer Note 2)*	12,00,10,000
	Value per share (In INR) (G/H)	**0.90**

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Note 1:

We have relied on the valuation report issued by an independent government approved valuer for the fair market value of the land as on 23 January, 2025. We have not independently verified the same.

Note 2:

Given that each Series A CCPS of the Company is compulsorily convertible into equity shares at a ratio of 1:1 (ie one equity share for every CCPS), we have considered the total number of equity shares as 12,00,10,000 on a fully diluted basis.

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Annexure 2

TERMS AND CONDITIONS OF COMPULSORILY CONVERTIBLE PREFERENCE SHARES ("CCPS") BY BUILDMINDS REAL ESTATE PRIVATE LIMITED

Set out below are the following key terms and conditions of the Series B CCPS:

The Series B CCPS are issued with the following terms and conditions:

1. **Issue**

Each Series B CCPS shall have a par value of INR 1 (Indian Rupee One Only) and shall be a nonredeemable, mandatorily and fully convertible preference share.

2. **Dividends**

If the Board proposes to declare any dividend on shares of the Company, the holder of the Series B CCPS shall be entitled to a non-cumulative, non-participating dividend at the rate of 0.01% (zero point zero one per cent) per annum, in preference and priority to the payment of dividend in respect of all other shares of the Company, except the Series A CCPS, which shall rank pari passu to the Series B CCPS in relation to dividends.

3. **Conversion**

3.1. Term

(a) Unless converted earlier in accordance with sub-paragraph (b) below, the term of Series B CCPS shall be a maximum of 19 (nineteen) years and 11 (eleven) months from the date of allotment of first tranche of Series B CCPS upon expiry whereof, all Series B CCPS shall compulsorily convert into Equity Shares.

(b) All Series B CCPS shall be convertible into Equity Shares of the Company at the option of the holders of the Series B CCPS at any time upon occurrence of the later of (i) infusion of the entire Equity Commitment by Schloss or exercise of the call option by Schloss under Clause 7.3 of the Agreement; and (ii) commencement of the operations of the Hotel, provided that the holders of Series A CCPS and Series B CCPS may mutually agree (in writing) to the conversion of the Series B CCPS into Equity Shares of the Company at any time prior to the expiry of the aforementioned period.

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3.2. Conversion Ratio

(a) Subject to sub-paragraph (b) below, the Series B CCPS shall be converted into such number of Equity Shares which shall be the lower of:

(X) = One Equity Share for every One Series B CCPS held; and
(Y) = ((Number of Equity Shares held by PHPL on a Fully Diluted Basis / (1 – Desired Stake Number of Equity Shares held by holders of Series B CCPS prior to such conversion

Where:

Desired Stake = A

(A + B + C)

"A" shall mean the aggregate of the subscription amount paid by holders of Series B CCPS to the Company in consideration of the issuance of each Series B CCPS ("Series B CCPS Subscription Amoun") along with an amount equal to 8% (*compounded annually*) thereon, calculated from the date of payment of each tranche of the Series B CCPS Subscription Amount to the Company till the date of conversion of the Series B CCPS;

"B" shall mean the aggregate of: (i) the total subscription amount paid by the holders of Series A CCPS to the Company in consideration of issuance as on the date of Shareholders Agreement; and (ii) the subscription amount paid by the holders of Series A CCPS to the Company after the date of Shareholders Agreement along with an amount equal to 8% (compounded annually) thereon, calculated from the date of payment of each tranche to the Company till the date of conversion of the Series A CCPS;

"C" shall mean the estimated synergy amount on account of the Shareholders Agreement, which is hereby agreed to be INR 59,00,00,000 (Indian Rupees Fifty Nine Crores Only).

(b) The ratio at which the Series B CCPS shall convert into Equity Shares and the conversion price shall be proportionately and appropriately adjusted (as required) for: (i) any bonus issue of Equity Shares; (ii) any stock split, consolidation or other similar action in respect of the Equity Shares, or (iii) any other reorganization, recapitalization, reclassification or similar event in respect of Equity Shares.

(c) In the event the conversion of Series B CCPS entitles the holder of Series B CCPS to any fraction of an Equity Share, then such fraction shall be rounded up to the nearest whole number.

3.3. The Company shall file form PAS 3 with the RoC in accordance with the Act and update its records to reflect the issuance of Equity Shares pursuant to conversion of Series B CCPS.

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4. **Transferability**

The Series B CCPS shall be Transferable in accordance with and subject to the restrictions set out in the terms of the Shareholders Agreement.

5. **Voting**

Except as permitted under Applicable Law, the holder of Series B CCPS shall not be entitled to vote on any resolutions placed before the Company in its capacity as the holder of the Series B CCPS.

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PRIVATE & CONFIDENTIAL

24 February, 2025

To,
The Board of Directors
Buildminds Real Estate Private Limited
701 Aerocity Building, NIBR Compound,
Mohili Village, Sakinaka, Safed Pool,
Mumbai 400072
Maharashtra

Sirs,

Sub: Determination of fair value of equity shares of Buildminds Real Estate Private Limited ('Buildminds Real Estate' or 'the Company') for compliance with the provisions of the Companies Act, 2013 and the Rules made thereunder

1. BACKGROUND AND ENGAGEMENT SCOPE

Buildminds Real Estate Private Limited is a Company incorporated under the Companies Act, 2013 having CIN: U55101MH2024PTC423912. The Company was incorporated on 23 April, 2024 and has its registered office in Mumbai, Maharashtra. While the Company was originally incorporated to carry on the business of construction and real estate, it has amended its Memorandum of Association to engage in the business of *inter-alia* hotels of every kind and sort including hotel rooms, resorts, serviced apartments, providing timeshare and fractional ownership.

The authorised share capital of the Company as on the date of valuation is INR 15,01,00,000 divided into 1,00,000 equity shares of INR 1/- each and 15,00,00,000 compulsorily convertible preference shares of INR 1/- each.

The Company is closely-held and its shares are not traded on any recognized stock exchanges in India.

The paid-up share capital of the Company as on the valuation date is as follows:

Sr No	Class of Shares	Number of Shares	Paid up Capital (INR)
1	Ordinary Equity Shares of INR 1 each	10,000	10,000
2	Compulsorily Convertible Preference Shares	12,00,00,000	12,00,00,000
Total		**12,00,10,000**	**12,00,10,000**

The shareholders as on the valuation date are:

Sr. No.	Name of Shareholder	Number of equity shares held of INR 1/ each	Paid up Capital (INR)
1.	Pravalah Hospitality Private Limited along with its nominees	10,000	10,000
	Total	**10,000**	**10,000**

The Company has also issued 12,00,00,000 Series A Compulsorily Convertible Preference Shares ('**CCPS**') of INR 1/- each to Pravalah Hospitality Private Limited.

The details of the Board of Directors as on the valuation date are:

DIN/DPIN/PAN	Name	Designation	Date of Appointment
09287838	Mr Ashwinder Singh Matharu	Director	23 April, 2024
02082205	Mr Sagar Dhaku Gawde	Director	23 April, 2024

2. PROPOSED TRANSACTION

Based on discussions with the management, I understand that the Company proposes to issue 31,667 equity shares of INR 1/- each to Schloss Bangalore Limited (along with its nominees).

Given the above, I have been appointed by the Company, as an Independent Valuer, to determine the value of the equity shares to be issued by the Company, in compliance with the Companies Act, 2013 and Rule 13 of The Companies (Share Capital and Debenture) Rules, 2014.

The valuation date is 24 February, 2025 ('**Valuation Date**').

Miti Shah

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3. VALUE RECOMMENDATION

The Net Asset Value (**'NAV'**) method has been adopted to determine the fair value of the equity shares of the Company. Please refer to **Section 4 - Valuation Methodologies** for a discussion on the various valuation approaches available and the reason why the NAV method was chosen as the most appropriate method in this case.

Based on our valuation using the NAV method, the fair value of the equity shares of the Company on a fully diluted basis is **INR 108,256,952 ie INR 0.90 per equity share**. Kindly refer to **Annexure 1** for a detailed analysis of the same.

However, since issuance of equity shares cannot be below their face value, the proposed issuance of the equity shares at their face value of INR 1 each is in compliance with the provisions of the Companies Act, 2013 and the applicable Rules thereunder.

If there are any questions or in the event additional information is required from our end, please do feel free to contact us.

Sincerely yours,

Miti Shah

Miti Shah & Associates
Chartered Accountants

Miti Shah & Associates
Chartered Accountant
Registered Valuer – (Securities or Financial Assets)
Reg. No. IBBI/RV/06/2021/14430
Date: 24 February, 2025
UDIN: 25115783BMMLQC7516

4. VALUATION METHODOLIGIES

Buildminds Real Estate is an unlisted entity, ie the equity shares of the Company are not listed on any recognized stock exchange. Accordingly, internationally accepted valuation approaches and methods have been considered to determine the fair value of equity shares of the Company.

There are various approaches which may be used for valuation of a privately held company:

- The Market Approach
- The Income Approach
- The Cost or Asset Approach

In performing a valuation exercise, the valuer should consider all three approaches and select the most appropriate approach. The selection would involve consideration of various factors such as the history, nature, stage of the development of the company, the nature of its assets and liabilities, its capital structure and also the availability of reliable, comparable and verifiable data that will be required to perform the analysis.

The various methodologies considered for the said valuation are explained as below:

Market Approach

<u>Comparable Companies' Multiples Method</u>

Valuation under the Market Approach entails the application of appropriate market-based multiples selected from comparable companies. This method is based on idea of determination of the price at which the company will be exchanged in the public market and is particularly useful for valuing companies that are currently profitable and expected to continue making profits in the foreseeable future.

<u>Comparable Transactions Multiples Method</u>

This method uses multiples derived from valuation of comparable companies based on M&A deals involving comparable companies. This method is based on the principle that comparable transactions/ market valuations taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

Buildminds Real Estate is not a listed company; further, I do not have adequate information available for comparable companies or recent transactions of comparable or identical businesses which have been traded in the active market. I have therefore not considered the Market Approach as an appropriate method for this valuation.

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Income Approach

Under this approach, the value of a business is determined based on the present value of its future earnings/ cash flows. Expected returns on an investment are discounted or capitalized at an appropriate rate of return to reflect investor risks and hazards.

The most commonly used income approach is the DCF method. DCF represents the net present value ('**NPV**') of projected cash flows from the business to all providers of capital, net of the cash needed to be invested for generating the projected growth. The concept of DCF method is based on the principle that the value of a business or asset is inherently based on its ability to generate cash flows for the providers of capital.

The DCF method can be applied where the asset does not have any/ has fewer market comparables or comparable transactions or where the asset is an income producing asset for which the future cash flows are available and can reasonably be projected.

The Company currently holds only land as its primary asset. Pre-development approvals are still underway and conversion permission for development of hotels has not yet been secured. In this scenario, the Management believes that future revenues cannot be reasonably projected. As a result, projected cash flows from the business are not available. Accordingly, the DCF method has not been used to determine the fair market value of the equity shares of the Company.

Cost or Asset Approach

The cost approach is used to determine the value of a business based on the Fair Market Value (**'FMV'**) of the net assets of the business. This approach is based on the inherent assumption that the value of a business or investment can be determined based on the cost to rebuild or cost to replace the assets owned by a business.

As mentioned above, the Company currently holds only land as its primary asset, with additional approvals etc still underway. With the business still in the nascent stage, we believe that the FMV of the net assets of the Company will reflect the true value of its earning potential. Hence, we have considered the cost approach of valuation considering the specifics of the case. This method uses the value of the net assets carried in the balance sheet of the entity to derive the equity value.

We have based our calculations on the financial position of the Company as on 24 February, 2025 to arrive at the book values of the assets and liabilities.

Miti Shah

Miti Shah & Associates
Chartered Accountants

5. SCOPE LIMITATIONS

- My work does not constitute an audit in accordance with the generally accepted auditing standards or an examination of internal controls or other attestation or review services. Accordingly, I am unable to and do not express an opinion or any form of assurance on the financial projections or any financial or other information or any operational data and internal controls of the company. No responsibility is assumed for matters of a legal nature. I was not required to carry out a legal due diligence review.

- Valuation analysis and results are specific to the purpose of valuation and the valuation date that is agreed with us. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

- The valuation arrived at in this report is based on the methodology outlined and assumptions listed. It is not representative of market value which may be realized, as market value is dependent on capital market conditions, industry forecasts, enterprise value and several other factors.

- I have relied on the information contained in the public domain and other documents in our possession concerning the value and useful conditions of all investments in securities or partnership interests, and other assets or liabilities except as specifically stated to the contrary in this report.

- The fee for the preparation of this report is not contingent to or dependent on the reported value of the shares of the company. I acknowledge that I do not have any present or contemplated financial interest in the Company.

- A draft of this report was shared with the Management for confirmation of facts and other inputs provided by the Management. The draft report has been duly confirmed by them for the facts etc.

- The information contained herein and our report is absolutely confidential. This report is only to be used in its entirety and for the purpose stated in the report. No third party should rely on the information or data contained in this report without the advice of a Registered Valuer, Accountant or Legal Advisor.

- This report is subject to the laws of India.

Miti Shah

Miti Shah & Associates * Chartered Accountants *

Annexure 1

BUILDMINDS REAL ESTATE PRIVATE LIMITED		
CALCULATION OF FAIR VALUE OF EQUITY SHARES BASED ON THE NET ASSETS METHOD AS PER THE UNAUDITED FINANCIAL STATEMENTS AS ON THE VALUATION DATE		
Sr No	**Particulars**	**Amount (INR)**
I	Assets:	
1	**Non-Current Assets**	
	(a) Fixed Assets *(Refer Note 1)*	11,00,00,000
	(i) Tangible Assets	-
	(ii) Intangible Assets	-
	(iii) Capital Work in progress	-
	(b) Non Current Investments	-
	(c)Long Term Loans and Advances	-
	Total Non-current Assets (A)	**11,00,00,000**
2	**Current Assets**	
	(a) Inventories	-
	(b) Trade Receivables	-
	(c) Cash and Cash Equivalents	12,02,920
	(d) Short term Loans and Advances	-
	(e) Other Current Assets	-
	Total Current Assets (B)	**12,02,920**
	Total Assets (C = A + B)	**11,12,02,920**
II	**Liabilities:**	
	Non-Current Liabilities	
	Long Term Borrowings	-
	Total Non-Current Liabilities (D)	**-**
2	**Current Liabilities**	
	(a) Short Term Borrowings	-
	(b) Trade Payables	17,45,918
	(c) Other Current Liabilities	12,00,050
	(d) Short Term provisions	-
	Total Current Liabilities (E)	**29,45,968**
	Total Liabilities (F = D + E)	**29,45,968**
	Book Value of Equity Share Capital (G =C-F)	**10,82,56,952**
	Number of equity shares on a fully diluted basis including 12,00,00,000 CCPS issued by the Company (H) *(Refer Note 2)*	12,00,10,000
	Value per share (In INR) (G/H)	**0.90**

Miti Shah

Miti Shah & Associates * Chartered Accountants *

Note 1:

We have relied on the valuation report issued by an independent government approved valuer for the fair market value of the land as on 23 January, 2025. We have not independently verified the same.

Note 2:

Given that each Series A CCPS of the Company is compulsorily convertible into equity shares at a ratio of 1:1 (ie one equity share for every CCPS), we have considered the total number of equity shares as 12,00,10,000 on a fully diluted basis.

Miti Shah

Miti Shah & Associates * Chartered Accountants *

Annexure 2

TERMS AND CONDITIONS OF COMPULSORILY CONVERTIBLE PREFERENCE SHARES ("CCPS") BY BUILDMINDS REAL ESTATE PRIVATE LIMITED

Set out below are the following key terms and conditions of the Series B CCPS:

The Series B CCPS are issued with the following terms and conditions:

1. **Issue**

Each Series B CCPS shall have a par value of INR 1 (Indian Rupee One Only) and shall be a nonredeemable, mandatorily and fully convertible preference share.

2. **Dividends**

If the Board proposes to declare any dividend on shares of the Company, the holder of the Series B CCPS shall be entitled to a non-cumulative, non-participating dividend at the rate of 0.01% (zero point zero one per cent) per annum, in preference and priority to the payment of dividend in respect of all other shares of the Company, except the Series A CCPS, which shall rank pari passu to the Series B CCPS in relation to dividends.

3. **Conversion**

3.1. Term

(a) Unless converted earlier in accordance with sub-paragraph (b) below, the term of Series B CCPS shall be a maximum of 19 (nineteen) years and 11 (eleven) months from the date of allotment of first tranche of Series B CCPS upon expiry whereof, all Series B CCPS shall compulsorily convert into Equity Shares.

(b) All Series B CCPS shall be convertible into Equity Shares of the Company at the option of the holders of the Series B CCPS at any time upon occurrence of the later of (i) infusion of the entire Equity Commitment by Schloss or exercise of the call option by Schloss under Clause 7.3 of the Agreement; and (ii) commencement of the operations of the Hotel, provided that the holders of Series A CCPS and Series B CCPS may mutually agree (in writing) to the conversion of the Series B CCPS into Equity Shares of the Company at any time prior to the expiry of the aforementioned period.

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3.2. Conversion Ratio

(a) Subject to sub-paragraph (b) below, the Series B CCPS shall be converted into such number of Equity Shares which shall be the lower of:

(X) = One Equity Share for every One Series B CCPS held; and
(Y) = ((Number of Equity Shares held by PHPL on a Fully Diluted Basis / (1 – Desired Stake Number of Equity Shares held by holders of Series B CCPS prior to such conversion

Where:

$$\text{Desired Stake} = \frac{A}{(A + B + C)}$$

"A" shall mean the aggregate of the subscription amount paid by holders of Series B CCPS to the Company in consideration of the issuance of each Series B CCPS ("Series B CCPS Subscription Amoun") along with an amount equal to 8% (*compounded annually*) thereon, calculated from the date of payment of each tranche of the Series B CCPS Subscription Amount to the Company till the date of conversion of the Series B CCPS;

"B" shall mean the aggregate of: (i) the total subscription amount paid by the holders of Series A CCPS to the Company in consideration of issuance as on the date of Shareholders Agreement; and (ii) the subscription amount paid by the holders of Series A CCPS to the Company after the date of Shareholders Agreement along with an amount equal to 8% (compounded annually) thereon, calculated from the date of payment of each tranche to the Company till the date of conversion of the Series A CCPS;

"C" shall mean the estimated synergy amount on account of the Shareholders Agreement, which is hereby agreed to be INR 59,00,00,000 (Indian Rupees Fifty Nine Crores Only).

(b) The ratio at which the Series B CCPS shall convert into Equity Shares and the conversion price shall be proportionately and appropriately adjusted (as required) for: (i) any bonus issue of Equity Shares; (ii) any stock split, consolidation or other similar action in respect of the Equity Shares, or (iii) any other reorganization, recapitalization, reclassification or similar event in respect of Equity Shares.

(c) In the event the conversion of Series B CCPS entitles the holder of Series B CCPS to any fraction of an Equity Share, then such fraction shall be rounded up to the nearest whole number.

3.3. The Company shall file form PAS 3 with the RoC in accordance with the Act and update its records to reflect the issuance of Equity Shares pursuant to conversion of Series B CCPS.

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4. **Transferability**

The Series B CCPS shall be Transferable in accordance with and subject to the restrictions set out in the terms of the Shareholders Agreement.

5. **Voting**

Except as permitted under Applicable Law, the holder of Series B CCPS shall not be entitled to vote on any resolutions placed before the Company in its capacity as the holder of the Series B CCPS.

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