



Ajay Kumar Siwach

FCS, LL.B, IP, RV, MBA

**Registered Valuer – SFA
Insolvency Professional
Certified Independent Director**

Date: 09th June, 2023

To,
The Board of Directors
SWARAJ SUITING LIMITED
CIN: L18101RJ2003PLC018359
Registered office: F-483 to F-487, RIICO Growth Centre,
Hamirgarh, Bhilwara, Rajasthan - 311025

Dear Sir,

SUB: VALUATION REPORT PURSUANT TO REGULATION 166A(1) OF SEBI (ICDR) REGULATIONS, 2018

We refer to our engagement vide Audit Committee Resolution dated 08th June, 2023 wherein Swaraj Suiting Limited ("Company") has requested undersigned Ajay Kumar Siwach ("Registered Valuer") to evaluate the Issue price as per Regulation 164(1), SEBI (ICDR) Regulations, 2018 (read with other applicable regulations) for the proposed issue of 76,18,000 Equity Warrants convertible into Equity shares on preferential basis to promoter, promoter group of the company and some non - promoters.

We hereby enclose the Report on Valuation for the evaluation of Issue Price for the proposed allotment of 76,18,000 Equity Warrants convertible into Equity shares on preferential basis to promoter, promoter group and non-promoters. This Valuation Report is prepared in compliance with Regulation 166A(1) and 164(1) of SEBI (ICDR) Regulations, 2018. The sole purpose of this report is to assist the Company to determine the Issue price for the accounting purpose of issue of 76,18,000 Equity Warrants convertible into Equity shares on preferential basis to promoter, promoter group of the company and some non - promoters.

Based on the Scope and limitations of work, Sources of information and Valuation methodology of the report and the explanations therein, the Issue Price for the proposed issue of 76,18,000 Equity Warrants convertible into Equity shares on preferential basis amounts to **Rs. 46.16 per share** calculated as per Regulation 164(1) of SEBI (ICDR) Regulations, 2018.

Ajay Kumar Siwach
Registered Valuer – Securities or Financial Assets
Registration No. IBBI/RV/05/2019/11412



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VALUATION ANALYSIS

We refer to our Engagement vide Audit Committee Resolution dated 08th June 2023 confirming our appointment as Registered valuers of Swaraj Suiting Limited (the “Company”). In the following paragraphs, we have summarized our Valuation Analysis (the “Analysis”) of the business of the Company as informed by the Management and detailed herein, together with the description of the methodologies used and limitations on our scope of work as mentioned in herein below in this report.

1. Context and Purpose

Based on discussion with the Management, we understand that the Company is in process of issue of 76,18,000 Equity Warrants convertible into Equity shares, out of which 59,50,000 Equity Warrants are proposed to be issued to promoters and promoter group of the company and remaining 16,68,000 Equity Warrants are proposed to be issued to non-promoters.

2. Assumptions

We have relied upon the representations contained in the public and other documents in our possession concerning the value and useful condition of all investments in securities or partnership interests, and any other assets or liabilities except as specifically stated to the contrary in this report.

We have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances, or that the owner has good title to all the assets.

We have also assumed that the business will be operated prudently and that there are no unforeseen adverse changes in the economic conditions affecting the business, the market, or the industry. This report presumes that the management of the Company will maintain the character and integrity of the Company through any sale, reorganization or reduction of any owner's/manager's participation in the existing activities of the Company.

We have been informed by management that there are no environmental or toxic contamination problems, any significant lawsuits, or any other undisclosed contingent liabilities which may potentially affect the business, except as may be disclosed elsewhere in this report. We have assumed that no costs or expenses will be incurred in connection with such liabilities, except as explicitly stated in this report.

3. Background of the company and Industry

Swaraj Suiting Limited having its registered office at F-483 to F-487, RIICO Growth Centre, Hamirgarh, Bhilwara, Rajasthan-311025.

The Company is managed by Directors namely:



DIN/PAN	Name
00561917	Mohammed Sabir Khan
01124399	Samar Khan
01407724	Ramesh Agarwal
07775998	Nasir Khan
08849178	Annie Zuberi
09027151	Amreen Sheikh

The company was incorporated in year 2003, with the main object of manufacturing, trading and dealing in textiles. At present the company has a manufacturing unit at Bhilwara (Rajasthan), which is a weaving unit. The company under its Bhilwara unit was engaged in manufacturing of cotton & synthetic fabric. Major production under the existing unit was done for big market players like Arvind Limited on job work basis, which were thereby converting the company's products into denim fabric. The company now strategically wants to expand its operations to the next level of supply chain, which shall result in higher operating margins.

4. Background information of the asset being valued

Equity shares of Swaraj Suiting Limited.

5. Purpose of valuation and appointing authority:

To arrive at Issue price per share as per Regulation 164(1) of SEBI (ICDR) Regulations, 2018 for the proposed issue of 76,18,000 Equity Warrants convertible into Equity shares on preferential basis to promoters, promoters' group of the company and some non-promoters.

6. Disclosure of valuer interest / conflict, if any:

Nil.

7. Date of appointment, valuation date and date of report:

Date of appointment	08 th June 2023
Valuation date	02 nd June 2023
Date of report	09 th June 2023



8. Basis/ bases of value used

As per Regulation 164(1) of SEBI ICDR Regulations, 2018 “If the equity shares of the issuer have been listed on a recognized stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be **not less than higher** of the following:

- a) the 90 trading days volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date or
- b) the 10 trading days volume weighted average prices of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.”

As per the above formula the price per shares is **Rs. 35.13/-** Please refer **Exhibit A**.

The book value of the Equity shares of the Company as on 31st March, 2023 is **Rs. 46.16/-**. Please refer **Exhibit B**.

We have not found any comparable peers of the company who are of similar size and belongs to the similar business segment. Therefore, we have not applied the Market Approach.

The higher of the price calculated as per Regulation 164(1) of SEBI (ICDR) Regulations, 2018 and the Book value of the Equity shares of the Company as on 31st March, 2023 shall be considered to ascertain the Issue Price for the proposed issue of 76,18,000 Equity Warrants convertible into Equity shares on preferential basis to promoters, promoter group of the company and non promoters. Hence the final price is. **Rs. 46.16/-**

9. Valuation Standards

The Report has been prepared in compliance with the SEBI ICDR Regulations, 2018.

10. Valuation Methodology, Approach and Procedures adopted in carrying out the valuation

Issue Price per share has been calculated as per Regulation 164(1) of Chapter V of SEBI ICDR Regulations, 2018.

11. Valuation of the Issue Price per share

The valuation of the Issue price per share is arrived at as per Regulation 164(1) of Chapter V of SEBI ICDR Regulations, 2018. The Price Calculation is attached herewith as Annexure-A.



12. Sources of Information

The Analysis is based on a review of the business plan of the Company provided by the Management and information relating to the services sector in which the Company is operating as available in the public domain. Specifically, the sources of information include:

1. Objective for the proposed Preferential issue;
2. Discussions with the Management;
3. NSE Website;
4. In addition to the above, we have also obtained such other information and explanations which were considered relevant for the purpose of the Analysis.

13. Distribution of report

The Analysis is confidential and has been prepared exclusively for finding out of Issue price per share for the proposed issue of 76,18,000 Equity Warrants convertible into Equity Shares on preferential basis to promoters and promoter group of the company. It should not be used, reproduced or circulated to any other person or for any purpose other than as mentioned above, in whole or in part, without the prior written consent of Ajay Kumar Siwach, Registered Valuer. Such consent will only be given after full consideration of the circumstances at the time.

14. Opinion of Issue price of the share and valuation summary:

Accordingly, based on the information available, Issue Price per share for the proposed issue 76,18,000 Equity Warrants convertible into Equity shares is estimated at Rs. 46.16/- per share. Hence, the Company has fixed the Issue Price of **Rs. 46.16/- per share** calculated as per Regulation 164(1) of SEBI ICDR Regulations, 2018.

Yours Faithfully

Ajay Kumar Siwach
Registered Valuer – Securities or Financial Assets
Registration No. IBBI/RV/05/2019/11412
09-06-2023

EXHIBIT A

Date	Day	VWAP	Adjusted VWAP Due to Bonus IN 1:1 (Ex date May 19, 2023)	VOLUME	Adjusted Volume Due to Bonus IN 1:1 (Ex date May 19, 2023)	VALUE
01-Jun-23	Thursday	39.00	39.00	20,000	20,000	7,80,000.00
31-May-23	Wednesday	37.15	37.15	40,000	40,000	14,86,000.00
30-May-23	Tuesday	35.40	35.40	1,08,000	1,08,000	38,22,800.00
29-May-23	Monday	33.71	33.71	68,000	68,000	22,92,400.00
24-May-23	Wednesday	32.17	32.17	12,000	12,000	3,86,000.00
22-May-23	Monday	34.08	34.08	16,000	16,000	5,45,200.00
19-May-23	Friday	31.90	31.90	12,000	12,000	3,82,800.00
18-May-23	Thursday	64.98	32.49	20,000	40,000	12,99,500.00
17-May-23	Wednesday	64.14	32.07	50,000	1,00,000	32,06,900.00
16-May-23	Tuesday	61.10	30.55	8,000	16,000	4,88,800.00
15-May-23	Monday	59.58	29.79	6,000	12,000	3,57,500.00
12-May-23	Friday	61.28	30.64	8,000	16,000	4,90,200.00
11-May-23	Thursday	62.10	31.05	22,000	44,000	13,66,200.00
10-May-23	Wednesday	59.75	29.88	8,000	16,000	4,78,000.00
08-May-23	Monday	57.95	28.98	4,000	8,000	2,31,800.00
05-May-23	Friday	56.99	28.50	12,000	24,000	6,83,900.00
04-May-23	Thursday	58.86	29.43	8,000	16,000	4,70,900.00
28-Apr-23	Friday	61.99	31.00	22,000	44,000	13,63,700.00
27-Apr-23	Thursday	58.70	29.35	8,000	16,000	4,69,600.00
26-Apr-23	Wednesday	57.47	28.74	18,000	36,000	10,34,500.00
25-Apr-23	Tuesday	59.50	29.75	12,000	24,000	7,14,000.00
24-Apr-23	Monday	60.04	30.02	8,000	16,000	4,80,300.00
21-Apr-23	Friday	61.00	30.50	8,000	16,000	4,88,000.00
19-Apr-23	Wednesday	62.50	31.25	2,000	4,000	1,25,000.00
18-Apr-23	Tuesday	60.00	30.00	2,000	4,000	1,20,000.00
17-Apr-23	Monday	63.56	31.78	56,000	1,12,000	35,59,200.00
13-Apr-23	Thursday	62.80	31.40	24,000	48,000	15,07,200.00
12-Apr-23	Wednesday	59.85	29.93	26,000	52,000	15,56,100.00
11-Apr-23	Tuesday	58.68	29.34	1,00,000	2,00,000	58,68,300.00
10-Apr-23	Monday	56.25	28.13	10,000	20,000	5,62,500.00
06-Apr-23	Thursday	50.37	25.19	18,000	36,000	9,06,700.00
05-Apr-23	Wednesday	45.32	22.66	28,000	56,000	12,68,900.00
03-Apr-23	Monday	45.72	22.86	20,000	40,000	9,14,300.00
31-Mar-23	Friday	49.61	24.81	16,000	32,000	7,93,800.00
29-Mar-23	Wednesday	48.78	24.39	10,000	20,000	4,87,800.00
28-Mar-23	Tuesday	49.48	24.74	20,000	40,000	9,89,500.00
27-Mar-23	Monday	47.12	23.56	24,000	48,000	11,30,900.00
24-Mar-23	Friday	46.96	23.48	26,000	52,000	12,20,900.00
23-Mar-23	Thursday	45.76	22.88	8,000	16,000	3,66,100.00
22-Mar-23	Wednesday	45.62	22.81	10,000	20,000	4,56,200.00
21-Mar-23	Tuesday	43.94	21.97	18,000	36,000	7,91,000.00
20-Mar-23	Monday	42.50	21.25	2,000	4,000	85,000.00
17-Mar-23	Friday	42.54	21.27	22,000	44,000	9,35,900.00
16-Mar-23	Thursday	45.28	22.64	34,000	68,000	15,39,400.00
15-Mar-23	Wednesday	47.21	23.61	36,000	72,000	16,99,500.00
14-Mar-23	Tuesday	45.72	22.86	64,000	1,28,000	29,26,000.00
13-Mar-23	Monday	45.26	22.63	70,000	1,40,000	31,68,300.00
10-Mar-23	Friday	45.05	22.53	6,000	12,000	2,70,300.00
09-Mar-23	Thursday	45.00	22.50	2,000	4,000	90,000.00
06-Mar-23	Monday	43.58	21.79	6,000	12,000	2,61,500.00
03-Mar-23	Friday	44.03	22.02	6,000	12,000	2,64,200.00
02-Mar-23	Thursday	43.13	21.57	4,000	8,000	1,72,500.00
28-Feb-23	Tuesday	44.67	22.34	14,000	28,000	6,25,400.00
27-Feb-23	Monday	47.28	23.64	10,000	20,000	4,72,800.00
24-Feb-23	Friday	43.78	21.89	4,000	8,000	1,75,100.00
23-Feb-23	Thursday	41.94	20.97	12,000	24,000	5,03,300.00
21-Feb-23	Tuesday	42.30	21.15	4,000	8,000	1,69,200.00
20-Feb-23	Monday	44.60	22.30	4,000	8,000	1,78,400.00
17-Feb-23	Friday	43.47	21.74	6,000	12,000	2,60,800.00

16-Feb-23	Thursday	45.20	22.60	4,000	8,000	1,80,800.00
15-Feb-23	Wednesday	42.10	21.05	4,000	8,000	1,68,400.00
14-Feb-23	Tuesday	42.50	21.25	2,000	4,000	85,000.00
10-Feb-23	Friday	42.15	21.08	2,000	4,000	84,300.00
07-Feb-23	Tuesday	44.55	22.28	4,000	8,000	1,78,200.00
06-Feb-23	Monday	45.82	22.91	14,000	28,000	6,41,500.00
03-Feb-23	Friday	44.30	22.15	2,000	4,000	88,600.00
02-Feb-23	Thursday	45.20	22.60	4,000	8,000	1,80,800.00
01-Feb-23	Wednesday	46.19	23.10	30,000	60,000	13,85,600.00
31-Jan-23	Tuesday	47.05	23.53	6,000	12,000	2,82,300.00
30-Jan-23	Monday	48.28	24.14	4,000	8,000	1,93,100.00
27-Jan-23	Friday	49.63	24.82	12,000	24,000	5,95,500.00
25-Jan-23	Wednesday	50.58	25.29	6,000	12,000	3,03,500.00
24-Jan-23	Tuesday	52.00	26.00	2,000	4,000	1,04,000.00
23-Jan-23	Monday	51.75	25.88	4,000	8,000	2,07,000.00
20-Jan-23	Friday	53.62	26.81	18,000	36,000	9,65,200.00
19-Jan-23	Thursday	52.23	26.12	8,000	16,000	4,17,800.00
					24,20,000	6,58,02,600.00

90 Trading Days VWAP	Total Turnover during 90 Trading days/ Total of shares traded during 90 Trading days	Total Turnover = 6,58,02,600	27.19
		Total Shares Traded= 24,20,000	

10 Trading Days VWAP	Total Turnover during 10 Trading days/ Total of shares traded during 10 Trading days	Total Turnover = 96,95,200	35.13
		Total Shares Traded= 2,76,000	

EXHIBIT B			
SHARE VALUATION AS PER BOOK VALUE METHOD			
Based on Audited Balance Sheet as of 31 Mar 2023			
S.No.	Particulars		Amount in INR Lakh
A	Assets		
1	Non-Current Assets		
	<i>Property, plant and equipments</i>		8,052.91
	<i>Intangible assets</i>		37.98
	<i>Capital work in progress</i>		309.62
	<i>Non Current Investments</i>		321.76
	<i>Long Term Loans & Advances</i>		52.02
	<i>Other non-current assets</i>		848.69
2	Current Assets		
	<i>Inventories</i>		6,809.92
	<i>Trade Receivables</i>		5,665.05
	<i>Cash & Bank balances</i>		42.76
	<i>Short term loans & advances</i>		921.38
	<i>Other current assets</i>		-
	Total Value of Assets	A	23,062.09
B	Liabilities		
3	Non-Current Liabilities		
	<i>Long term borrowings</i>		5,564.97
	<i>Deferred Tax Liabilities</i>		92.27
	<i>Long term provisions</i>		98.93
4	Current Liabilities		
	<i>Short term borrowings</i>		5,774.70
	<i>Trade payables</i>		4,483.49
	<i>Other current liabilities</i>		252.51
	<i>Short term provisions</i>		147.72
	Total Liabilities	B	16,414.59
C	Net Worth	C=A-B	6,647.50
D	Number of Shares*	D	144.00
E	Per Share Value	E=C/D	46.16
*	On 20 May 2023 the company has issue the bonus shares in the ratio of 1:1 to the existing equity shareholders and the impact of the same has been considered in calculation of per share value and the weighted average no. of shares have been adjusted for such bonus issue in line with requirement of AS20.		