



Practising Company Secretary's Certificate

*[Issued in terms of Regulation 163(2) under Chapter V of the Securities and Exchange Board of India
(Issue of Capital and Disclosure Requirements) Regulations, 2018]*

To,
The Board of Directors
Magnum Ventures Limited
H No-MN01, Hub and Oak, E-14,
Lower Ground Floor, Defence Colony
New Delhi – 110024

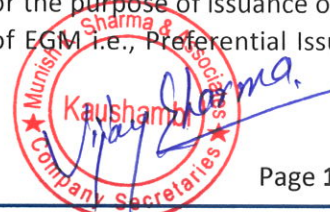
A. BACKGROUND

1. We are issuing this certificate based on the Letter of Engagement issued by Magnum Ventures Limited ("the Company"/ "the Issuer") requesting us to certify the Company's compliance with the relevant regulations of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('the SEBI ICDR Regulations') applicable to their proposed Preferential Issue of convertible securities in the form of warrants (hereinafter referred to as "Convertible Warrants"), not exceeding 1,77,50,000 (One Crore Seventy-Seven Lakhs and Fifty Thousand), to the following promoters/ promoter group:

Name of the Proposed Allottee	Category (Promoter/ Non - Promoter)	Permanent Account Number (PAN)
Mr. Parmod Kumar Jain	Promoter	ADVPJ3524E
Mr. Pradeep Kumar Jain	Promoter	AAEPJ3120G
Mr. Abhey Kumar Jain	Promoter Group	AAEPJ3124C
Mr. Parv Jain	Promoter Group	AHLPJ7813J

The above-named proposed allottee are hereinafter referred to as "the Allottees".

2. We have examined whether the proposed Preferential Issue of Convertible Warrants by the Company, as approved by the Board of Directors at its meeting held on 10 January 2023, is in compliance with the regulations under Chapter V of the SEBI ICDR Regulations.
3. At the said meeting held on 10 January 2023, the Board of Directors of the Company have approved to convene and hold an Extra-ordinary General Meeting ("EGM") of the shareholders of the Company on 08 February 2023 and also approved the notice of EGM to be issued to the shareholders on or before 16 January 2023, setting out Special Resolution and Ordinary Resolution and a Statement of Material Facts in respect of the said resolutions ("Explanatory Statement") (together referred to as "Notice of EGM"), seeking their consent for the proposed issue of 1,77,50,000 (One Crore Seventy-Seven Lakhs and Fifty Thousand) Convertible Warrants, each convertible into 1 (one) Equity Share of face value of INR 10/- (Rupees Ten Only) each, fully paid up, in one or more tranches and increase in authorised share capital of the Company as per Item No. 1 and Item No. 2 of the Notice of EGM respectively. For the purpose of issuance of this certificate we are concerned about Item No. 1 of the Notice of EGM i.e., Preferential Issue of Convertible Warrants.



4. The Explanatory Statement forming part of the Notice of EGM provides the disclosures mandated under regulation 163(1) of SEBI ICDR Regulations, in addition to the disclosures required under section 102 and other applicable provisions of the Companies Act, 2013 ("the Act").
5. The approval of the shareholders for the Special Resolution will be deemed to have been obtained on 08 February 2023 being the date of EGM.
6. The Relevant Date (for determining the price of the equity shares, including those to be allotted on conversion of warrants) in terms of regulation 161 of the SEBI ICDR Regulations has accordingly been fixed as 09 January 2023 being the date which is 30 days prior to 08 February 2023, and which does not fall on a weekend or on a holiday.
7. The Notice of EGM states that it is being issued pursuant to provisions of section 101 of the Companies Act, 2013 read with rule 18 of the Companies (Management and Administration) Rules, 2014 and the circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India permitting holding of EGM through video conferencing or other audio visual means ("VC/ OAVM") without sending physical Notice of EGM read with regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

B. MANAGERMENTS RESPONSIBILITY

1. The Management of the Company is responsible for:
 - (i) Compliance with the aforesaid SEBI ICDR Regulations for the proposed Preferential Issue of Convertible Warrants;
 - (ii) Preparation and circulation of Notice of EGM;
 - (iii) Preparation and maintenance of relevant supporting records and documents; and
 - (iv) Providing all relevant information to the Securities and Exchange Board of India ("SEBI") and the Stock Exchanges where the Company's shares are listed, namely, BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

C. OUR RESPONSIBILITY

1. Our responsibility is to issue a certificate for inspection of the shareholders before EGM for considering the proposed Preferential Issue, certifying that the said Preferential Issue is being made in accordance with the requirements of SEBI ICDR Regulations.

D. PROCESS ADOPTED

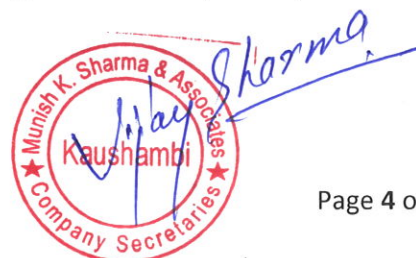
1. We have verified the records/ information provided, obtained representations/ confirmations from the Issuer/ their Registrar and Share Transfer Agent ("RTA") and performed certain procedures, as set out below, to enable us to form an opinion and certify as to whether the proposed Preferential Issue of Convertible Warrants as set out in Item No. 1 of the Notice of EGM is in accordance with the SEBI ICDR Regulations. Accordingly, we have:



- (i) Obtained confirmation that the Company intends to seek approval of its shareholders by way of Special Resolution to be passed at the EGM, to be conducted through VC/OAVM on 08 February 2023;
- (ii) Obtained confirmation that the Company in terms of the provisions of section 108 of the Act read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI LODR Regulations, is providing facility of remote e-voting to exercise votes on the items of business given in Notice of EGM through electronic voting system, to members holding shares as on Wednesday, 01 February 2023 (end of day), being the cut-off date fixed for determining voting rights of members. The remote e-voting period begins on Sunday, 05 February 2023 (09:00 A.M.) and ends on Tuesday, 07 February 2023 (05:00 P.M.).
- (iii) Ascertained that the Relevant Date, in terms of regulation 161(a) of SEBI ICDR Regulations is correctly determines as 09 January 2023;
- (iv) Examined the Notice of EGM being issued and noted that:
 - a. The proposed Special Resolution for approving the Preferential Issue of Convertible Warrants of the Company is included therein;
 - b. The Special Resolution specifies the Relevant Date, namely 09 January 2023, on the basis of which price of the equity shares to be allotted on conversion or exchange of Convertible Warrants has been calculated;
 - c. The tenure of the Convertible Warrants being issued does not exceed 18 (eighteen) months as prescribed under regulation 162 of the SEBI ICDR Regulations; and
 - d. The equity shares to be allotted through the Preferential Issue of Convertible Warrants will be made fully paid up at the time of allotment.
- (v) Observed that the Statement of Material Facts (Explanatory Statement) annexed to and forming part of the Notice of EGM in terms of section 102 of the Act contains *inter-alia* all the disclosures prescribed under regulation 163(1) of the SEBI ICDR Regulations, namely:
 - a. Objects of the preferential issue;
 - b. Maximum number of specified securities (Convertible Warrants) to be issued;
 - c. Intent of the promoters, directors or key managerial personnel of the Issuer to subscribe to the offer;
 - d. Shareholding pattern of the Issuer before and after the preferential issue;
 - e. Percentage of the post-preferential issued capital that may be held by the Allottees and the change in control in the Issuer consequent to the preferential issue;
 - f. Time-frame within which the Preferential Issue shall be completed;
 - g. Statement providing particulars of natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed Allottees;
 - h. Undertaking that the Issuer shall re-compute the price of the specified securities in terms of the provision of these SEBI ICDR Regulations where it is required to do so;
 - i. Undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the Allottees;



- j. Confirmation that neither the Issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower or a fugitive economic offender;
 - k. The current and proposed status of all the Allottees post the Preferential Issue namely, promoter or non-promoter; and
 - l. Confirmation that the Issuer shall place a copy of this certificate on its website for inspection of the shareholders before EGM and shall provide a link for the same in the notice of EGM.
- (vi) Obtained confirmation from the Issuer that they are opting for 09 January 2023 as the Relevant Date in terms of regulation 161(a) of SEBI ICDR Regulations;
- (vii) Observed that the Special Resolution for the issue of Convertible Warrants specifies that 09 January 2023 will be the Relevant Date on the basis of which price of the equity shares to be allotted on conversion of the warrants is calculated; hence, the Issuer does not have the option of considering the date 30 days prior to the date on which the Allottee would be entitled to exercise their option to convert the said warrants into equity shares as the "Relevant Date" in terms of regulation 161(b) of SEBI ICDR Regulations;
- (viii) Verified that the Allottees have not sold or transferred any Equity Shares during the 90 trading days preceding the Relevant Date, namely during the period from 30 August 2022 to 06 January 2023 (both days inclusive), based on the records and confirmation obtained from the Allottees;
- (ix) Verified that the Allottees hold their entire pre-preferential holding of Equity Shares, if any, in dematerialized form;
- (x) Obtained confirmation and also verified from the records furnished that the Company has no outstanding dues to the SEBI, BSE, NSE or to the Depositories, namely National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL");
- (xi) Obtained representation from the Issuer that they have adhered to conditions for continuous listing of equity shares as specified in the listing agreement with BSE and NSE;
- (xii) Verified that the Issuer has obtained Permanent Account Number ('PAN') of all the Allottees;
- (xiii) Verified that the pricing of the proposed Preferential Issue of Convertible Warrants is in compliance with regulations 164(1) and 166A of SEBI ICDR Regulations;
- (xiv) Obtained confirmation from the Issuer that the application for seeking in-principle approval to NSE and BSE will be made on or before the day when the Notice of EGM is sent, seeking shareholders' approval by way of Special Resolution for the Preferential Issue of Convertible Warrants; and
- (xv) Verified the valuation report of the Independent Registered Valuer, as required under regulation 166A of the SEBI ICDR Regulations.



E. CONCLUSION

We hereby certify that, based on the procedures performed as mentioned above and information, explanations and representations provided by the Company, the proposed Preferential Issue of Convertible Warrants being made to the Allottees are being made in accordance with the requirements of Chapter V of the SEBI ICDR Regulations.

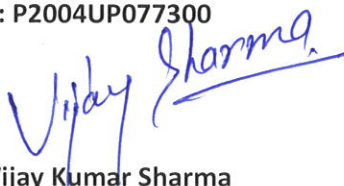
F. RESTRICTION ON USE

This certificate is addressed to and provided to the Company solely for being made available on the website of the Company to facilitate online inspection by the shareholders until the date of EGM and/or submission to the BSE/ NSE/NSDL/CDSL/ Ministry of Corporate Affairs to comply with the requirement of the SEBI ICDR Regulations/ Other SEBI Regulations/ the Act and should not be used by any other person or for any other purpose. Accordingly, our certificate should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior written consent.

For Munish K. Sharma & Associates LLP

Company Secretaries

FRN: P2004UP077300



CS Vijay Kumar Sharma

Partner

M. No. : F9924

C.P. No.: 12387

UDIN: F009924D002970827

Date: 13th January 2023

Place: Ghaziabad, UP



To,
Manager - Listing Compliance
National Stock Exchange of India Limited
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

To,
The Chief General Manager
Listing Operation, BSE Limited,
20th Floor, P.J. Towers,
Dalal Street,
Mumbai - 400 001.

Dear Sir,

Sub: Application for "In-principle approval" prior to issue and allotment of 1,77,50,000 Warrants convertible into Equity Shares on preferential basis under Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

1. We, Munish K Sharma and Associates LLP, Company Secretaries, hereby certify that the minimum issue price for the proposed preferential issue of Warrants convertible into Equity Shares (the 'Warrants') of **Magnum Ventures Limited (the 'Company' or 'Issuer')**, based on the pricing formula prescribed under Regulation 164 (1) read with regulation 166(A) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the 'SEBI (ICDR) Regulations') has been worked out at **INR 22.61/- (Rupees Twenty-Two and paisa Sixty-One Only)** per Warrant.
2. The relevant date for the purpose of said minimum issue price was **09 January 2023**.
3. The valuation report from Independent Registered Valuer is attached herewith.
4. The highest trading volume in respect of the Equity Shares of the Issuer has been recorded during the preceding 90 trading days prior to the relevant date on **National Stock Exchange of India Limited (NSE)**.
5. We hereby certify that the Articles of Association of the issuer does not provide for a method of determination which results in a floor price higher than that determined under SEBI (ICDR) Regulations.

For Munish K Sharma and Associates LLP

Company Secretaries

FRN: P2004UP077300



CS Aditya Jain

Partner

M. No. : F11835

C.P. No.: 25426

UDIN: F011835D002975092

Date: 14 January 2023

Place: Kaushambi, Ghaziabad

Encl. a/a



Fair Valuation Report

MAGNUM VENTURES LIMITED

Valuation Date - January 09, 2023

CS MANISH AGARWAL,

REGISTERED VALUER.

IBBI Reg. No.: IBBI/ RV/03/2019/12187

This Valuation Report is submitted by CS Manish Agarwal, Registered Valuer - Securities and Financial Asset (Asset Class), for the purpose as mentioned therein and shall not be used for any other purpose whatsoever.

Date: 09 January 2023

To,
The Board of Directors,
Magnum Ventures Limited.,
HNO-MN01, Hub and Oak,
E-14, Lower Ground Floor,
Defence Colony, New Delhi-110024

Dear Sir(s)/Madam(s)

Subject: Valuation Report to determine the value of equity shares of Magnum Ventures Limited as on 09 January 2023

Magnum Ventures Limited ('MVL', 'the Company'), incorporated on 29 May 1980, is engaged in the business of trading and manufacturing of paper. The Company also owns a hotel named "Country Inn & Suits by Radisson" with Radisson Group. The equity shares of MVL are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') ('BSE' and 'NSE' are together known as, 'the Stock Exchanges').

I understand that MVL proposes to issue fully convertible share warrants on a preferential basis ('the Transaction'). As stated in Regulation 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022 ('SEBI ICDR Regulations') in connection with the Transaction, the management of the Company is required to determine the Fair Value of the equity shares of MVL by a Registered valuer, registered under the Insolvency Bankruptcy Board of India and obtain a Valuation Report, for the above-mentioned purpose as on 09 January 2023 ('Valuation Date').

MVL has through an engagement letter dated 03 January 2023 ('Engagement Letter') appointed CS Manish Agarwal, Registered Valuer bearing IBBI Registration Number - IBBI/RV/03/2019/12187, registered under the Insolvency Bankruptcy Board of India read with Companies (Registered Valuers & Valuation) Rules, 2017 ('the Valuer', 'the Registered Valuer', 'I', 'me', 'my') to determine the Fair Value of the equity shares of MVL in accordance with the SEBI ICDR Regulations, as on the Valuation Date and issue a valuation report for this purpose.

My Valuation Report ('Report') is to be read in conjunction with the scope and purpose of the Report, the sources of information and the assumptions, exclusions, limitations, and the disclaimers, as detailed hereinafter.



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This letter should be read in conjunction with the report.

Should you require any further information or explanations, please contact the undersigned.

Thanking you,



CS Manish Agarwal

Registered Valuer- Securities or Financial Assets

IBBI Reg. No. IBBI/RV/03/2019/12187

UDIN: F005051D002922889

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1. ABBREVIATIONS

ABBREVIATIONS	MEANING
BSE	BSE Limited
CCM	Comparable Company Method
CIN	Corporate Identity Number
Cr	Crores
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
ERP	Equity Risk Premium
FY	Financial Year
ICAI	Institute of Chartered Accountants of India
INR / Rs	Indian Rupee
IVS	Indian Valuation Standards
NSE	National Stock Exchange of India Limited
PAT	Profit After Tax
MVL	Magnum Ventures Limited
SEBI	Securities and Exchange Board of India
WACC	Weighted Average Cost of Capital



2. EXECUTIVE SUMMARY

2.1 Details of the Company

- 2.11 Magnum Ventures Limited, incorporated on 29 May 1980, is engaged in the business of trading and manufacturing of paper. The Company also owns a hotel named “Country Inn & Suits by Radisson” with Radisson Group. The equity shares of MVL are listed on the Stock Exchanges.

2.2 Scope, Purpose and Usage of Valuation

- 2.21 The scope of my services as per the Engagement Letter dated 03 January 2023 is to carry out a valuation of the equity shares of MVL, as on 09 January 2023, as required under Regulation 166A of the SEBI ICDR Regulations, using the methodology prescribed under the Indian Valuation Standards ('IVS') issued by Institute of Chartered Accountants of India, and issue a Valuation Report to be used by the Board of Directors of the Company, as well as to represent to regulatory authorities in connection with the proposed preferential issuance by MVL pursuant to the extant provisions of the SEBI ICDR Regulations.

2.3 SUMMARY OF THE VALUATION

Valuation Approach	MVL
Income Approach	×
Market Approach	✓
Cost Approach	×

- 2.3.1 I have carried out the valuation of equity shares of MVL using the Market Price Method under the Market Approach.
- 2.3.2 On the basis of my valuation analysis and methodologies adopted and mentioned in greater detail in my Report herein, I estimate that the Fair Value of the equity shares of Magnum Ventures Limited, as on 09 January 2023, is **INR 22.61** under Regulation 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022. My valuation working and summary have been provided in the **Annexure [A – B]** to this report.

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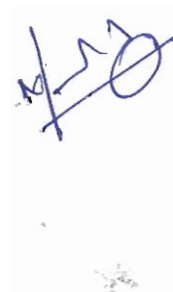


3. SOURCES OF INFORMATION

I have relied on the following information provided by the Company for the preparation of this report:

- 3.1 Brief history, present activities, business profile and group structure of the Company;
- 3.2 Audited financial statements of MVL as on March 31, 2021, and March 31, 2022;
- 3.3 Unaudited financial statements of MVL as on September 30, 2022;
- 3.4 Written Representations received from the management dated 03 January 2023;
- 3.5 Publicly available data of the Company such as shareholding pattern, historical trading pricing on the Stock Exchanges;
- 3.6 Such other information, explanations and representations as required and which have been provided by the management of the Company and considered relevant for purpose of preparing this report.

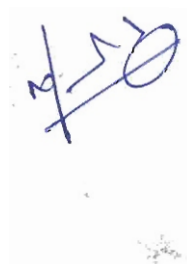
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4. SCOPE, USAGE AND PURPOSE OF THE REPORT

- 4.1 I have been appointed by the Company through an Engagement Letter to assist in determining the Fair Value of the equity shares of MVL as on 09 January 2023 as required under the extant provisions in Regulation 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022.
- 4.2 My Valuation Report is to be read in conjunction with the scope and purpose of the Report, the sources of information and the assumptions, exclusions, limitations, and the disclaimers, as detailed hereinafter. The valuation presented in this Report is specific to this Valuation Date.
- 4.3 For the purpose of arriving at the valuation of equity shares of MVL, I have considered the valuation base as 'Fair Value' and the premise of value as 'Going Concern'. Any change in the valuation base or premise could have a significant impact on the valuation analysis, and consequently, this Report.
- 4.4 This Report is my deliverable to this engagement. This Report shall be used by the Board of Directors of MVL as well as to represent to SEBI, in connection with the proposed Transaction.
- 4.5 It is to be noted that I am registered under ICSI Registered Valuer Foundation, bearing number IBBI/RV/03/2019/12187 as a registered valuer under the Securities and Financial Assets category.

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5. OVERVIEW OF THE COMPANY

- 5.1 MVL ('CIN: L21093DL1980PLC010492'), incorporated on 29 May 1980, is engaged in the business of trading and manufacturing of paper. The Company also owns a hotel named "Country Inn & Suits by Radisson" with Radisson Group. The equity shares of MVL are listed on the Stock Exchanges.
- 5.2 The shareholding pattern of MVL as on September 30, 2022 is as under:

Equity Shares of INR 10/-

No,	Name of the Shareholder	No. of Shares	Shareholding (%)
1	Promoter and Promoter Group	2,00,17,554	53.24
2	Public Holdings	1,75,84,330	46.76
	Total	3,76,01,884	100.00

Source: Management Representation

- 5.3 A brief financial summary of MVL as on March 31, 2021, March 31, 2022, and September 30, 2022, is as under:

Balance Sheet of MVL:

(INR in Lakhs)

Particulars	31 March 2021 (Audited)	31 March 2022 (Audited)	30 Sept., 2022 (Unaudited)
Assets			
Non-Current Assets			
a) Property Plant and Equipment	19,898.09	18,856.57	18,254.96
b) Intangible Assets	6.87	6.72	5.84
c) Right of Use Asset	703.14	2,276.33	2,129.17
d) Financial Assets			
Other Financial Assets	193.30	176.50	194.94
Total Non-Current Asset	20,801.40	21,316.11	20,584.91
Current assets			
a) Inventories	2,471.81	3,291.31	5,504.72
b) Financial Assets			
i. Trade receivables	6,076.84	5,553.69	5,797.67
ii. Cash and cash equivalents	878.65	526.12	185.76
iii. Loans	877.03	619.72	1,037.39
iv. Other Financial Asset	92.10	34.66	-
c) Other Current Assets	312.37	154.96	213.76
Total Current Asset	10,708.80	10,180.45	12,739.30
TOTAL ASSETS	31,510.19	31,496.56	33,324.21
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	3,760.19	3,760.19	3,760.19
b) Other Equity	-9,432.83	-8,877.43	-4,038.28
Total Equity	-5,672.64	-5,117.24	-278.10
Liabilities			
Non-current liabilities			
a) Financial Liabilities			



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i. Borrowings	23,921.59	18,072.67	14,239.33
ii. Lease Liabilities	644.72	2,023.15	1,945.65
b) Provisions	513.69	516.90	540.57
c) Deferred Tax Liabilities (Net)	1,913.66	1881.26	1,881.26
Total Non-Current Liabilities	26,993.67	22,493.97	18,606.80
Current Liabilities			
a) Financial Liabilities			
i. Borrowings	5,526.30	9,287.98	7,001.41
ii. Lease Liabilities	99.19	369.96	367.48
iii. Trade Payables	3,267.34	3188.59	5675.38
iv. Other Financial Liabilities	194.33	197.79	172.81
b) Other Current Liabilities	853.56	820.62	1,442.92
c) Provisions	248.45	254.89	335.49
Total Current Liabilities	10,189.17	14,119.83	14,995.50
TOTAL EQUITY AND LIABILITIES	31,510.19	31,496.56	33,324.21

Source: Audited Financials and Company Quarterly Filings on the Stock Exchanges

Profit and Loss Statement of MVL:

(INR in Lakhs)

Particulars	31 March 2021 (Audited)	31 March 2022 (Audited)	30 September 2022 (Unaudited)
Revenue from Operations	17,659.94	32,830.11	12,925.39
Other Income	581.04	330.02	45.42
Total Income	18,240.99	33,160.13	12,970.81
Expenses			
Cost of Material Consumed	12,526.51	24,512.79	9,298.63
Change in Inventory of Finished Goods & W.I.P	-210.10	-387.24	904.84
Employee Benefit Expense	1,964.63	3,163.75	1,017.04
Finance Costs	161.93	240.55	93.50
Depreciation and Amortization Expense	1,669.09	1,507.69	405.22
Other Expense	2,108.51	3,334.46	871.91
Total Expense	18,220.57	32,372.00	12,591.15
Profit before Tax and Exceptional Items and Tax	20.42	788.13	379.66
Exceptional Items	-	320.06	-0.91
Profit before Tax	20.42	468.08	380.57
Tax Expense			
Current Tax	-	-	-
Deferred Tax	-57.63	-46.69	-
Earlier Year Tax	-56.08	-	-
Profit/ (Loss) for the year	134.13	514.76	380.57

Source: Audited Financials and Company Quarterly Filings on the Stock Exchanges

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6. RELEVANT REGULATORY GUIDANCE

- 6.1 In order to comply with the provisions of Regulation 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, the valuation of the equity shares of MVL is required to be carried out by an Independent Registered Valuer when a preferential issue results in change in control or allotment of more than 5% of the post issue fully diluted share capital. The relevant extracts of the regulatory guidance are as under:

166A

(1) Any preferential issue, which may result in a change in control or allotment of more than five per cent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price:

Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2), or (4) of regulation 164, as the case may be, or the price determined under the valuation report from the independent registered valuer, or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable

Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first provision

Provided further that the valuation report from the registered valuer shall be published on the website of the issuer and a reference of the same shall be made in the notice calling the general meeting of shareholders

(2) Any preferential issue, which may result in a change in control of the issuer, shall only be made pursuant to a reasoned recommendation from a committee of independent directors of the issuer after considering all the aspects relating to the preferential issue including pricing, and the voting pattern of the said committee's meeting shall be disclosed in the notice calling the general meeting of shareholders

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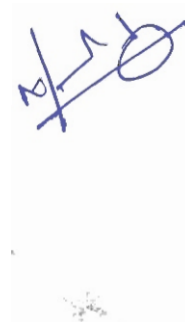


7. PROCEDURE FOR THE VALUATION

I have performed the following procedures to carry out this valuation analysis of the equity shares:

- 7.1 Requested and was provided the data as per my requisition list including current financial details, shareholding details and details of the proposed transaction etc;
- 7.2 Discussed with the management of the Company, the structure, details of the proposed issue of the equity shares;
- 7.3 Selected valuation methodology as considered appropriate for the purpose of my valuation;
- 7.4 Obtained necessary data from the public domain, as considered relevant for my valuation analysis;
- 7.5 Determined the fair value of the equity shares of MVL.

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8. METHODOLOGY OF THE VALUATION

- 8.1 In order to arrive at the fair value of the Company, there are three traditional approaches which can be considered:

8.1.1 Market approach:

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities or a group of assets and liabilities, such as a business.

8.1.2 Income approach:

Income approach is a valuation approach that converts maintainable or future amounts such as cash flows or income and expenses, to a single current (discounted or capitalized) amount. The fair value measurement is determined based on the value indicated by current market expectations about those future amounts.

8.1.3 Cost approach:

The Cost approach seeks to determine the business value based on the value of its assets.

- 8.2 In arriving at the value of the equity shares of MVL, I have considered it appropriate to use the Market Approach for the valuation of MVL. I have used the Market Price Method under the Market Approach to arrive at the fair value of MVL as the equity shares are listed on the Stock Exchanges and frequently traded.
- 8.3 I have not used the Comparable Company Method ('CCM') under the Market Approach as this method provides an indication of value by comparing the underlying Company's financials with the traded multiples of listed peers/comparable. Since the Earnings before Interest Tax, Depreciation and Amortization ('EBITDA') and the Profit after Tax, ('PAT') of MVL are negative, CCM cannot be used to arrive at an indication of the fair value of MVL.
- 8.4 I have not used the Income Approach to Valuation as MVL is a listed company and the business projections have not been made available.
- 8.5 I have computed the Net Asset Value ('NAV') of the MVL under the Cost Approach, which is based on the historic representation of the cost incurred by the Company.
- 8.6 As the value computed under the Market Approach is higher than the value computed under the Cost Approach, I have considered the value computed under the Market Approach, in line with the regulatory guidance given under Rule 166A of the SEBI ICDR Regulations.
- 8.7 My valuation working, and summary have been provided in the **Annexure [A – B]** to this Report.

8.8 MARKET PRICE METHOD:

- 8.8.1. This method evaluates the value on the basis of prices quoted on the stock exchange(s). Average of quoted price is considered as indicative of the value perception of the Company by investors operating under free market conditions. The average of such market prices could be taken on a simple or weighted average basis taking into consideration the value and the volumes of the transactions taken place on the stock exchange.



- 8.8.2. This method is important as the secondary equity market is not only a reflection of the fair value of the company, but also of the other market information to know the perception of the market prevailing during the span of time for which the price of the share is evaluated.
- 8.8.3. Under this method of valuation, computation is carried based on the volume-weighted average market price of shares of a Company for a period of 90 trading days as well as 10 trading days preceding from the date for which the valuation is to be arrived at. After arriving at volume-weighted average price of 90 trading days as well as 10 trading days, the higher of two prices which have been computed in said manner is taken into consideration.
- 8.8.4. Volume-weighted average market price means the product of the number of equity shares traded on a stock exchange and the closing price of equity shares divided by the total number of equity shares traded on the stock exchange.
- 8.8.5. Further, in terms of Regulation 164 (Pricing of frequently traded shares) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022:

If the equity shares of the issuer have been listed on a recognised stock exchange for a period of ninety 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 ninety trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or*
- b. the ten trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.*

Regulation 164 (5) - For the purpose of this Chapter, "frequently traded shares" means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the two hundred and forty 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.

Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.

Explanation: For the purpose of this regulation, 'stock exchange' means any of the recognised stock exchange(s) in which the equity shares of the issuer are listed and in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the relevant date.

- 8.8.6. In terms of the above regulation, the equity shares of MVL are listed on the Stock Exchanges and have been frequently traded. We have applied the Market Price method as described above to determine the Fair Value of MVL based on the historical trading price on NSE. We have calculated the Volume Weighted Price of MVL for the last 90 trading days from the Valuation Date i.e., 30 August 2022 to 06 January 2023 and last 10 trading days from Valuation Date i.e., 26 December 2022 to 06 January 2023. The higher of the two volume Weighted Price is considered to arrive at the Fair Value of MVL.

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9. **BASIS FOR THE DETERMINATION OF THE FAIR VALUE**

- 9.1 The valuation of the equity shares of MVL has been arrived at based on the methodology explained hereinabove, various qualitative factors relevant to the business, business dynamics and growth potential of the business and taking into consideration the information, key underlying assumptions and limitations as articulated hereinabove.
- 9.2 In the ultimate analysis, the valuation will have to be arrived at by the exercise of judicious discretion and judgments taking into account all the relevant factors. There will always be several factors, such as the quality of management present and prospective competition, market sentiment and other factors, which are not evident from financial information, but which influence the worth of a business. This concept is also recognized in judicial decisions.

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10. ASSUMPTIONS, DISCLAIMERS, EXCLUSION, LIMITATIONS AND QUALIFICATIONS

- 10.1. This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. This Report is restricted for the purpose indicated in the Engagement Letter but does not preclude the management of the Company to provide a copy of this Report to third-party advisors whose review would be consistent with the intended use. I do not take any responsibility for any unauthorized use of this Report.
- 10.2. I owe responsibility only under the terms of the Engagement Letter. I will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall I be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the management of the Company or their directors, employees or agents of the Company.
- 10.3. In the course of the valuation, I was provided with both written and verbal information, which I have evaluated 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. I have also been provided with extracts of certain agreements and am not privy to the entire agreement or all the clauses mentioned therein. I have also 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.
- 10.4. The valuation of MVL, has been performed based on the last available financial statements provided by the management of the Company as of the Valuation Date. As implied by the financial statements, of MVL, are assumed to have those legal rights to the assets and be subject to those claims represented by the liabilities presented in the financial statements. As informed by the management of the Company, there are no contingent liabilities which are expected to devolve or contingent assets with MVL, and there are no surplus assets in MVL, as of the date of this Report beyond those as are captured in this Report. 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 the Company.
- 10.5. This Report and the results herein are specific to the purpose of valuation agreed as per the terms of the Engagement Letter, are specific to the date of this Report and are necessarily based on the prevailing financial and economic conditions as well as the written and oral information, as made available by the management of the Company as on date of this Report. Events occurring after this date 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.
- 10.6. I have not reviewed the legal compliance required for the proposed transaction, except to the extent necessary for the purpose of this Report, nor provided any accounting, tax, or legal advice to the Companies, neither am I required to do so, in terms of the Engagement Letter.
- 10.7. I have not carried out a re-valuation of any assets of the Company, nor physically verified any assets of the Company, neither am I required to in terms of the Engagement Letter.
- 10.8. This Report does not constitute a fairness opinion, solvency opinion, or an investment recommendation and is not to be construed as such either for making or divesting investment.



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- 10.9. I am independent of the Company and hold no specific interest in the Company or any of the assets of the Company, nor do I have any conflict of interest with the Company.
- 10.10. The fee for this Report is not contingent upon the result of the valuation arrived therein.
- 10.11. I am aware that based on the opinion of the value expressed in this Report, I may be required to give testimony or attend judicial proceedings with regard to the valuation, although it is out of scope of the assignment. In such an event, the party seeking the evidence in the proceedings shall bear the full cost and the fees of the judicial proceedings, and the tendering of evidence before such authority, if any, will be as per the applicable laws.

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11. **CONCLUSION**

On the basis of my valuation analysis and methodologies adopted and mentioned in greater detail in my Report herein, I estimate that the Fair Value of the Equity Shares of Magnum Ventures Limited, as on 09 January 2023 is **INR 22.61** per equity shares under Regulation 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022. My valuation working and summary have been provided in the **Annexure [A – B]** to this Report.

Thanking you,



CS Manish Agarwal

Registered Valuer- Securities or Financial Assets

IBBI Reg. No. IBBI/RV/03/2019/12187

UDIN: F005051D002922889

Date: 09 January 2023

Place: New Delhi

Annexure A

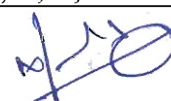
Market Price Method

Magnum Ventures Limited

Valuation Working as on Date: 09 January 2023

INR

S. No.	Date	Close Price	Shares	Turnover
1	06-Jan-23	27.7	179109	49,61,319.30
2	05-Jan-23	26.4	171415	45,25,356.00
3	04-Jan-23	25.15	708641	1,75,16,316.40
4	03-Jan-23	22.9	699176	1,56,60,733.80
5	02-Jan-23	21.3	494406	1,03,28,030.95
6	30-Dec-22	19.45	107175	21,08,607.20
7	29-Dec-22	19.15	88248	16,94,282.90
8	28-Dec-22	19.45	88942	17,45,461.20
9	27-Dec-22	19.55	199249	38,87,356.40
10	26-Dec-22	18.45	118934	21,24,153.25
11	23-Dec-22	16.85	179979	31,25,872.05
12	22-Dec-22	18.65	200053	37,29,511.40
13	21-Dec-22	19.65	276127	56,75,555.30
14	20-Dec-22	20.4	260571	53,27,112.05
15	19-Dec-22	20.3	210358	42,09,339.50
16	16-Dec-22	18.9	69917	13,22,874.75
17	15-Dec-22	18.85	200272	37,96,134.75
18	14-Dec-22	19.55	92913	18,04,915.60
19	13-Dec-22	19.5	86866	17,18,156.85
20	12-Dec-22	20	82487	16,54,230.30
21	09-Dec-22	19.45	62785	12,30,888.25
22	08-Dec-22	19.8	79723	15,86,795.60
23	07-Dec-22	19.75	145964	29,23,549.45
24	06-Dec-22	19.8	269154	53,84,251.80
25	05-Dec-22	20.7	118096	24,69,193.65
26	02-Dec-22	21.15	127678	26,94,687.05
27	01-Dec-22	20.15	145931	29,22,020.35
28	30-Nov-22	19.2	111927	21,65,589.55
29	29-Nov-22	19.65	438086	87,17,894.80
30	28-Nov-22	20.65	358630	74,70,172.90
31	25-Nov-22	21.7	428131	94,71,123.30
32	24-Nov-22	21.5	318680	67,77,318.15
33	23-Nov-22	20.5	83358	16,99,850.95
34	22-Nov-22	19.55	101937	19,54,607.10
35	21-Nov-22	18.65	347288	65,38,823.10
36	18-Nov-22	19.45	357468	70,34,644.80
37	17-Nov-22	20.15	372730	76,41,511.30
38	16-Nov-22	21.2	439034	94,55,900.05
39	15-Nov-22	22.45	442666	1,02,08,841.35
40	14-Nov-22	24	1130425	2,68,72,470.45
41	11-Nov-22	23.5	928063	2,29,89,024.85
42	10-Nov-22	26.1	3288336	8,94,44,385.20
43	09-Nov-22	24.4	1631035	3,82,70,894.50
44	07-Nov-22	20.35	1217186	2,35,50,640.65



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S. No.	Date	Close Price	Shares	Turnover
45	04-Nov-22	17.6	201406	35,58,930.90
46	03-Nov-22	17.65	332245	58,73,056.30
47	02-Nov-22	17.55	911191	1,60,47,312.05
48	01-Nov-22	17.8	697561	1,19,39,470.60
49	31-Oct-22	14.85	78250	11,67,777.65
50	28-Oct-22	14.5	55897	8,12,660.85
51	27-Oct-22	14.7	30108	4,46,096.45
52	25-Oct-22	14.85	59397	8,84,791.80
53	24-Oct-22	15.1	28808	4,33,236.15
54	21-Oct-22	14.8	35773	5,32,064.85
55	20-Oct-22	14.9	94622	14,21,427.95
56	19-Oct-22	15.5	133515	20,96,723.60
57	18-Oct-22	16.05	142214	23,12,594.35
58	17-Oct-22	16.15	70413	11,51,464.60
59	14-Oct-22	16.25	180689	30,02,985.15
60	13-Oct-22	16.1	232394	38,21,192.00
61	12-Oct-22	16.8	584479	94,88,859.15
62	11-Oct-22	16.3	2196357	3,73,42,159.45
63	10-Oct-22	15.5	361445	53,97,990.75
64	07-Oct-22	12.95	102042	13,30,873.05
65	06-Oct-22	13.3	38270	5,03,768.15
66	04-Oct-22	13.05	83667	10,97,320.90
67	03-Oct-22	13.1	48651	6,38,490.95
68	30-Sep-22	13.2	33492	4,38,692.50
69	29-Sep-22	12.85	31450	4,07,968.35
70	28-Sep-22	13.1	42054	5,55,084.85
71	27-Sep-22	13.1	39166	5,14,979.55
72	26-Sep-22	13.1	64508	8,48,938.50
73	23-Sep-22	13.85	103527	14,43,000.75
74	22-Sep-22	14.5	77462	11,07,803.60
75	21-Sep-22	14.15	43054	6,16,862.80
76	20-Sep-22	14.35	103016	15,10,603.65
77	19-Sep-22	14.3	65605	9,52,048.40
78	16-Sep-22	14.25	129682	18,84,435.80
79	15-Sep-22	14.75	108104	16,09,889.45
80	14-Sep-22	14.8	187393	27,23,717.55
81	13-Sep-22	13.95	128932	18,18,875.50
82	12-Sep-22	14.4	97963	14,00,291.75
83	09-Sep-22	14.4	89920	12,87,814.45
84	08-Sep-22	14.45	282853	42,19,330.85
85	07-Sep-22	14.5	70497	10,27,757.90
86	06-Sep-22	14.8	243561	37,06,357.75
87	05-Sep-22	15.15	267062	39,64,413.40
88	02-Sep-22	14.05	150332	21,71,006.45
89	01-Sep-22	14.3	622116	91,58,313.80
90	30-Aug-22	15	221876	32,95,162.90

Preferential Allotment Guidelines Principles	NSE
i)Weighted Average Price of the relevant 90 Trading Days	20.26
ii)Weighted Average Price of the relevant 10 Trading Days	22.61
Higher of 90 Trading Days and 10 Trading Days Price	22.61

Weighted Average Price of the relevant 90 Trading Days	NSE
Total Trading Turnover for the Past 90 Trading Days	55,43,54,997.25
Total Shares Traded for the Past 90 Trading Days	2,73,62,168
90 Trading Days Volume Weighted Average Market Price	20.26

Weighted Average Price of the relevant 10 Trading Days	NSE
Total Trading Turnover for the Past 10 Trading Days	6,45,51,617.40
Total Shares Traded for the Past 10 Trading Days	27,36,361
10 Trading Days Volume Weighted Average Market Price	22.61

Source: <https://www.nseindia.com/get-quotes/equity?symbol=MAGNUM> and Valuer's Analysis

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Annexure B

Net Asset Value (NAV Working) Computation:
Magnum Ventures Limited
Valuation Working as on Date: 09 January 2023

(INR in Lakhs)

Particulars	Amount
Equity Share Capital	3760.19
Free Reserve & Surplus	-4038.28
Book Net Worth	-278.09
Total Equity Shares	3,76,01,884
Equity Value per Share (INR)	-0.74

Source: Valuer's Analysis and Management Representation

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MSB



The Chief General Manager
Listing Operation,
BSE Limited,
20th Floor, P. J. Towers,
Dalal Street, Mumbai – 400 001

Dear Sir,

Sub: Application for “In-principle approval” prior to issue and allotment of 1,77,50,000 Warrants convertible into Equity Shares on preferential basis under Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

We, **Munish K Sharma & Associates LLP**, Company Secretaries, have verified the relevant records and documents of Magnum Ventures Limited (**the ‘Company’/ ‘Issuer’**) with respect to the proposed preferential issue of Warrants convertible into Equity Shares (**the ‘Warrants’**) by the Company as per Chapter V of SEBI (ICDR) Regulations, 2018 and certify that:

- None of the proposed allottee(s) have sold any Equity Share of the Company during the 90 trading days preceding the relevant date. Further, where the proposed allottee(s) are promoter/ promoter group entity, then none of entities in the promoter and promoter group entities have sold any Equity Share of the Company during the 90 trading days preceding the relevant date.
- Mr. Parv Jain, one of the proposed allottees does not hold any Equity Share of the Issuer for a period starting from the relevant date till the date of preferential allotment.
- The pre-preferential shareholding of each of proposed allottee(s) has been locked in accordance with Regulation 167 (6) SEBI (ICDR) Regulations, 2018. Further, there is no sale/ pledge of pre-preferential holding from the relevant date till the commencement of lock-in-date. The details of allottee-wise pre-preferential shareholding and lock-in thereon is given hereunder:

Name of Propose d Allottee	DP ID *	Pre-preferential holding	Lock-in details		Pledged with	Pledge end date
			From	To		
Parmod Kumar Jain	120529000001 2677	2,00,150	10.01.2023	08.08.2023	Not Applicable	Not Applicable
Pradeep Kumar Jain	120529000001 2658	2,00,650	10.01.2023	08.08.2023	Not Applicable	Not Applicable
Abhey Kumar Jain	120529000001 2681	3,02,600	10.01.2023	08.08.2023	Not Applicable	Not Applicable

(*) client id/ folio no in case allottee hold the securities in physical form

- d) None of the proposed allottees belonging to promoter(s) or the promoter group is ineligible for allotment in terms of Regulations 159 of SEBI (ICDR) Regulations, 2018.
- e) The proposed issue is being made in accordance with the requirements of Chapter V of SEBI (ICDR) Regulations, 2018, Section 42 and 62 of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other requirements of Companies Act, 2013. Further, the Company has complied with all legal and statutory formalities and no statutory authority has restrained the Company from issuing these proposed securities.
- f) The proposed preferential issue is being made in compliance with the provisions of Memorandum of Association (MoA) and Articles of Association (AoA) of the Company. It is further confirmed that for the proposed preferential issue, the price of the Warrants has been determined in compliance with the valuation requirement in terms of Regulation 166A of Chapter V of SEBI (ICDR) Regulations, 2018.
- g) The total allotment to the allottee or allottees acting in concert in the present preferential issue is more than 5% of the post issue fully diluted share capital of the issuer.

For Munish K. Sharma & Associates LLP
Company Secretaries
FRN: P2004UP077300

Aditya Jain

CS Aditya Jain
Partner

M. No. : F11835

C.P. No.: 25426

UDIN: F011835D002975224



Date: 14 January 2023

Place: Kaushambi, Ghaziabad



To,
Manager - Listing Compliance
National Stock Exchange of India Limited
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

Dear Sir,

Sub: Application for "In-principle approval" prior to issue and allotment of 1,77,50,000 Warrants convertible in Equity Shares on preferential basis under Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

We, Munish K Sharma and Associates LLP, Company Secretaries, have verified the relevant records and documents of Magnum Ventures Limited (the '**Company**' or '**Issuer**') with respect to the proposed preferential issue of Warrants convertible into Equity Shares (the '**Warrants**') by the Company as per Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and certify that:

a) Following are the details of allottee-wise pre-preferential shareholding of the proposed allottees:

Name of Proposed Allottee	DP ID	Pre-preferential holding
Parmod Kumar Jain	1205290000012677	2,00,150
Pradeep Kumar Jain	1205290000012658	2,00,650
Abhey Kumar Jain	1205290000012681	3,02,600

b) Mr. Parv Jain, one of the proposed allottees does not hold any Equity Shares of the Issuer.

c) The entire pre-preferential shareholding of each of proposed allottee of the Issuer is held in dematerialized form.

For Munish K Sharma and Associates LLP

Company Secretaries

FBN: P2004UP077300

CS Aditya Jain

Partner

M. No. : F11835

C.P. No.: 25426

UDIN: F011835D002975147

Date: 14 January 2023

Place: Kaushambi, Ghaziabad

