

VALUATION REPORT

on

Fair Value of Equity Shares

SANCHAY FINVEST LIMITED

CA Jay Shah

Chartered Accountants, Registered Valuer – SFA

B-101/102, Shree Sai Tower, Sodawala lane,

Borivali west, Mumbai – 400 092

Email: jashahassociates@gmail.com

Mobile: +91 96994 68404

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Valuation Analysis

We refer to our Engagement Letter dated 03th January, 2026 as independent valuers of **Sanchay Finvest Ltd.** (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 limitation on our scope of work.

1 Context and Purpose

Based on discussion with the management, we understand that the Company’s promoters are evaluating the possibility of **issuance of Equity shares under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR, 2018”)**. In the context of these proposed transactions, the management requires our assistance in determining the **Fair Value of Equity** of the Company.

Proposed Transaction:

During the Financial Year 2025-26, the Company is evaluating the possibility of raising funds through issuance of equity shares of Sanchay Finvest Ltd. In this context, the management of **Sanchay Finvest Ltd.** (the “Management”) has requested us to estimate the fair value of the Equity Shares. - “Proposed Transaction”.

2 Conditions and major assumptions

Conditions

The historical financial information about the Company presented in this report is included solely for the purpose to arrive at value conclusion presented in this report and it should not be used by anyone to obtain credit or for any other unintended purpose. Because of the limited purpose as mentioned in the report, it may be incomplete and may contain departures from generally accepted accounting principles prevailing in the country. We have not audited, reviewed or compiled the financial statements and express no assurance on them.

Readers of this report should be aware that a business valuation is based on future earnings potential that may or may not be materialised. Any financial projection e.g. projected balance sheet, projected profit & loss account, projected cash flow statements as presented in this report are included solely to assist in the development of the value conclusion. The

actual results may vary from the projections given, and the variations may be material, which may change the overall value.

This report is only to be used in its entirety, and for the purpose stated in the report. No third parties should rely on the information or data contained in this report without the advice of their lawyer, attorney or accountant.

We acknowledge that we have no present or contemplated financial interest in the Company. Our fees for this valuation are based upon our normal billing rates, and not contingent upon the results or the value of the business or in any other manner. We have no responsibility to modify this report for events and circumstances occurring subsequent to the date of this report.

We have, however, used conceptually sound and generally accepted methods, principles and procedures of valuation in determining the value estimate included in this report. The valuation analyst, by reason of performing this valuation and preparing this report, is not to require to give expert testimony nor to be in attendance in court or at any government hearing with reference to the matters contained herein, unless prior arrangements have been made with the analyst regarding such additional engagement.

Assumptions

The opinion of value given in this report is based on information provided by the management of the Company and other sources as listed in the report. This information is assumed to be accurate and complete.

We have relied upon the representations contained in the public and other documents in our possession 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.

We have been informed by the management that there are no 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

Sanchay Finvest Ltd is an Indian public listed financial services company, incorporated in 1991 and listed on the Bombay Stock Exchange (BSE). It primarily operates in the capital markets as a SEBI-registered broker, offering stock broking services in cash and derivatives segments and catering to investors with trading and investment solutions. The company also invests in equities and debt mutual funds and provides personalised financial consultancy and research support to its clients. Its business falls under financial intermediation and investment activities.

Further data of the company as on valuation report date is as under:

CIN	L67120MP1991PLC006650
Company / LLP Name	Sanchay Finvest Limited
ROC Code	ROC Gwalior
Registration Number	006650
Company Category	Company limited by Shares
Company Subcategory	Non-govt company
Class of Company	Public
Authorised Capital (Rs)	8,00,00,000
Paid up Capital (Rs)	5,55,00,000
Number of Members (Applicable in case of company without Share Capital)	-
Date of Incorporation	06/09/1991
Registered Address	209, RAJANI BHUVAN, 569M.G. ROAD, Indore, INDORE, Madhya Pradesh, India, 452001
Email Id	avinash_renu@rediffmail.com
Whether listed or not	Listed
Date of last AGM	30/12/2024
Date of Balance Sheet (Audited)	31/03/2024
Company Status (for e-filing)	Active

Directors and Key Managerial Persons

DIN/PAN	Name	Begin date	Designation
00794167	Narottam Kumar Nandlal Sharma	01/06/2000	Director
*****7863B	Neha Milan Shah	30/05/2019	CFO
*****7863B	Neha Milan Shah	29/09/2018	Company Secretary
00192195	Nikhil Saran Mathur	30/03/2001	Director
00794218	Naresh Kumar Nandlal Sharma	30/11/2000	Managing Director
08239430	Sarthak Naresh Sharma	29/09/2018	Whole-time director
02964070	Milan Meghnad Shah	06/12/2024	Director
02964070	Milan Meghnad Shah	06/12/2024	Additional Director

4 Valuation Premise

The premise of value for our analysis is going concern value as there is neither a planned nor contemplated discontinuance of any line of business nor any liquidation of the Company.

5 Valuation Date

The Analysis of the Fair Value of Equity shares of the **Sanchay Finvest Ltd.** the “Company” as on **30th September 2025.**

6 Valuation Standards

The Report has been prepared in compliance with the internationally accepted valuation standards and valuation standard adopted by PVAI Registered Valuers Organisation.

7 Valuation Methodology and Approach

The standard of value used in the Analysis is "Fair Value", which is often defined as the price, in terms of cash or equivalent, that a buyer could reasonably be expected to pay, and a seller could reasonably be expected to accept, if the business were exposed for sale on the open market for a reasonable period of time, with both buyer and seller being in possession of the pertinent facts and neither being under any compulsion to act.

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

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

The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. In respect of going concerns,

certain valuation techniques have evolved over time and are commonly in vogue. These can be broadly categorised as follows:

1. Asset Approach

Net Asset Value Method ("NAV")

The value arrived at under this approach is based on the audited financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The balance sheet values are adjusted for any contingent liabilities that are likely to materialise.

The Net Asset Value is generally used as the minimum break-up value for the transaction since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern.

2. Market Approach

Comparable Company Market Multiple Method

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

Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way comparable enterprises are valued by public markets. In case of early stage company and different business model the problem aggravates further.

Comparable Transactions Multiple Method

This approach is somewhat similar to the market multiples approach except that the sales and EBITDA multiples of reported transactions in the same industry in the recent past are applied to the sales and EBITDA of the business being valued.

3. Income Approach

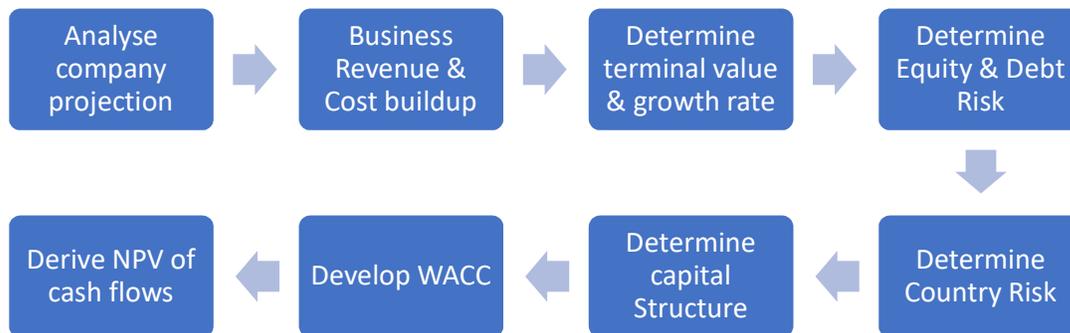
Discounted Cash Flows - "DCF"

DCF uses the future free cash flows of the company discounted by the firm's weighted average cost of capital (the average cost of all the capital used in the business, including debt and equity), plus a risk factor measured by beta, to arrive at the present value.

Beta is an adjustment that uses historic stock market data to measure the sensitivity of the Company's cash flow to market indices, for example, through business cycles.

The DCF method is a strong valuation tool, as it concentrates on cash generation potential of a business. This valuation method is based on the capability of a company to generate cash flows in the future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a Company's cost of capital and the risk associated with the cash flows it generates. DCF analysis is based mainly on the following elements:

- Projection of financial statements (key value driving factors)
- The cost of capital to discount the projected cash flows



8 Valuation Methodology

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose.

Provision of Regulation for requirement of Valuation:

SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED

PART IV: PRICING

Pricing of infrequently traded shares

***Regulation 165:** Where the shares of an issuer are not frequently traded, the price determined by the issuer shall take into account the valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies: Provided that the issuer shall submit a certificate stating that the issuer is in compliance of this regulation, obtained from an independent registered valuer to the stock exchange where the equity shares of the issuer are listed.*

In the instant case, since the quoted equity shares of the Company are not frequently traded on Bombay Stock Exchange, pricing according to regulation 164 has not been determined.

Company has few peers listed on the recognized exchange which are commensurate with the size and nature of company (after considering illiquidity factor), accordingly Comparable Company Market Multiple method is taken into consideration for valuation.

However, there are no comparable transaction of peer companies which are relied upon for determination of fair value of shares for the proposed transaction.

Considering this, we have determined the Fair Value of Equity Shares as per weighted price of Net Asset Value method (NAV) and Discounted Cash Flow method.

Our choice of methodology and valuation has been arrived using usual and conventional methodologies adopted for purposes of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of similar nature.

Regulation 166A: 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 fair value determined under regulation 165, 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 proviso:

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.

9 Source of Information

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

- Discussions with the Management / representative of the Company;
- All Company specific information were sourced from the management of the Company, either in the written hard copy or digital form;
- Other information / data available in public domain;
- Limited reviewed financial statements as on 30th September, 2025;
- Projections and working under Discounted cash flow method.

In addition to the above, we have also obtained such other information and explanations from the Company as were considered relevant for the purpose of the valuation. It may be

mentioned that the Management has been provided the opportunity to review our draft report as part of our standard practice to make sure that factual inaccuracies are avoided in our final report.

10 Caveats

Provision of valuation recommendations and considerations of the issues described herein are areas of our regular corporate advisory practice. The services do not represent accounting, assurance, financial due diligence review, consulting, transfer pricing or domestic/international tax-related services that may otherwise be provided by us.

Our review of the affairs of the Company and their books and account does not constitute an audit in accordance with Auditing Standards. We have relied on explanations and information provided by the Management of the Company and accepted the information provided to us as accurate and complete in all respects. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided. Nothing has come to our attention to indicate that the information provided had material mis-statements or would not afford reasonable grounds upon which to base the Report.

The report is based on the financial projections provided to us by the Management of the company and thus the responsibility for forecasts and the assumptions on which they are based is solely that of the Management of the Company and we do not provide any confirmation or assurance on the achievability of these projections. It must be emphasized that profit forecasts necessarily depend upon subjective judgement. Similarly, we have relied on data from external sources. These sources are considered to be reliable and therefore, we assume no liability for the accuracy of the data. We have assumed that the business continues normally without any disruptions due to statutory or other external/internal occurrences.

The valuation worksheets prepared for the exercise are proprietary to the Valuer and cannot be shared. Any clarifications on the workings will be provided on request, prior to finalizing the Report, as per the terms of our engagement.

The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them.

The Valuation Analysis contained herein represents the value only on the date that is specifically Stated in this Report. This Report is issued on the understanding that the Management of the Company has drawn our attention to all matters of which they are aware, which have an impact on our Report up to the date of signature. We have no

responsibility to update this Report for events and circumstances occurring after the date of this Report.

We have no present or planned future interest in the Company and the fee for this Report is not contingent upon the values reported herein.

Our Valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any transaction with the Company.

A draft of the report was shared with the Company, prior to finalisation of report, for confirmation of facts, key assumptions and other Company representations.

Our Report is not, nor should it be construed as our opining or certifying the compliance with the provisions of any law / standards including company, foreign exchange regulatory, accounting and taxation (including transfer pricing) laws / standards or as regards any legal, accounting or taxation implications or issues.

Our Report and the opinion / valuation analysis contained herein is not, nor should it be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities. This report does not in any manner address, opine on or recommend the prices at which the securities of the Company could or should transact.

11 Distribution of Report

The Analysis is confidential and has been prepared exclusively for **Sanchay Finvest Ltd.** 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 the valuer. Such consent will only be given after full consideration of the circumstances at the time. However, we do understand that the report will be shared with the investor / buyers of the Company / submission to government authorities and regulators towards statutory compliances.

12 Opinion on Fair Value of Equity

Based on our valuation exercise (refer annexure 1), Fair Value of the Equity Shares is as under:

Method	Value	Weight	Product
NAV Method	7.29	50%	3.64
DCF Method	2.99	50%	1.50
	Value Per Equity Share (in INR)		5.14
	Fair Value Per Equity Share (in INR rounded off)		5.00

We have carried out the valuation of the shares as per regulation 165 and 166A of Chapter V of the SEBI ICDR, 2018. As per the NAV Method, the value per equity share of face value of Rs.10/- each is coming at Rs. 7.29/- and as per DCF Method, the value per equity share is coming at Rs. 2.99/-. Considering above, the fair value of each equity share of the Company giving 50% weightage to each method is coming out to be Rs. 5.00 (rounded off)/-.

We trust the above meets your requirements. Please feel free to contact us in case you require any additional information or clarifications.

Yours faithfully



CA Jay Shah
Chartered Accountants
Membership No: 175050
Registered Valuer - Securities or Financial Assets
(Reg No: IBBI/RV/07/2022/14720)

Date: 05th January 2026

Place: Mumbai

UDIN: 26175050V@DZFW3576

13 Annexures

Annexure A - Net Asset Method

(in INR lakhs, except No. of shares and value per share)

Particulars	As on 30 th September, 2025	
		Book Value / Fair Value
ASSETS		
Non-Current Assets		
Property, Plant & Equipment		02.54
Financial Assets		
Non-Current Investments		11.32
Other Financial Assets		112.50
Deferred Tax Asset (Net)		1.32
Current Assets		
Inventories		83.29
Financial Assets		
Current Investment		61.75
Trade Receivables		0.71
Cash and cash equivalents		0.85
Other Financial Assets		10.00
Short Term Loans & Advances		02.96
Other Current Assets		22.94
Total Assets	A	310.18
LIABILITIES		
Non-Current Liabilities		-
Current liabilities		
Financial Liabilities		
Borrowings		01.47
Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises		-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		3.07
Short Term Financial Liability		47.00
Other Current liabilities		26.90
Short Term Provisions		2.22
Total Liabilities	B	80.66
Net Assets (In INR lacs)	(A-B)	229.52
No. of Shares	C	31,50,000
Value per Share (In INR)	(A-B)/C	7.29

Annexure B – DCF method

FY	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
Revenue	1,05,335	1,15,869	1,27,455	1,40,201	1,54,221	1,69,643
EBITDA		-5,793	-	7,010	15,422	33,929
EBIT		-35,793	-30,000	-22,990	-14,578	3,929
Tax		-	-	-	-	982
NOPAT		-35,793	-30,000	-22,990	-14,578	2,946
Change in Working Capital		210.67	231.74	254.91	280.40	308.44
FCFF		-31,004	-25,232	-18,245	-9,858	7,638

Particulars	Total	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32
Discount Factor		0.85	0.72	0.61	0.52	0.44
Present Value of FCFF	-57,246	-26,275	-18,121	-11,104	-5,085	3,339

Terminal Value	48,692
PV of TV:	21,284
Enterprise Value	-35,962
Cash (refer note 1)	94,47,954
Debt	-
Equity Value	94,11,992
Number of equity shares	31,50,000
FMV per share	2.99

Note – 1

Bank balances and fixed deposits primarily represent funds received pursuant to issue of preference shares and are temporarily parked and not generated from operating activities. Accordingly, the same have not been considered as surplus cash for valuation purposes.

Note - 2

Considering the limited scale of operations, historical operating losses and absence of significant revenue visibility, the projected free cash flows are negative during the explicit forecast period. Accordingly, the valuation primarily reflects the conservative assessment of future earning potential.

Note - 3

The projections used in the valuation are based on estimates and assumptions provided by the management and adjusted by the valuer to reflect the historical performance, current operating scale and business risks of the company.

Conclusion:

Based on the Discounted Cash Flow valuation methodology, and considering the conservative assumptions adopted in respect of growth, profitability and risk factors, the fair market value of equity shares of the company as on the valuation date works out to ₹ 2.99 per equity share of face value ₹10 each.

Annexure C – Control Premium as per Regulation 166A (1)

As represented to us, there will be more than once allottees who proposed to subscribe/ allot equity shares details as mentioned herein below more than 5% of the proposed enhanced capital: -

Sr. No	Identity of Proposed allottee	CIN / PAN/ Passport in case of NRI OR Foreign national of ultimate beneficial owner	Category	Pre-Issue holding (%)	No of equity shares to be allotted through preferential	Post Issue holding	Post-issue holding %
1	Rushabh Praful Satra	BPUPS8796B	Non-Promoter	0.00%	9,30,000	9,30,000	11.63%
2	Vrutika Praful Satra	BXZPS9221A	Non-Promoter	0.00%	9,20,000	9,20,000	11.50%
3	Anil Babubhai Mehta	AACPM9386P	Non-Promoter	0.00%	15,00,000	15,00,000	18.75%
4	Shankar Dayal Singh	AXOPS6225N	Non-Promoter	0.00%	5,00,000	5,00,000	6.25%
5	Saumya Singh	JKDPS8398B	Non-Promoter	0.00%	10,00,000	10,00,000	12.25%

Regulation 166A (1): Other conditions for pricing

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 fair value determined under regulation 165, 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 proviso.

Considering the aforesaid requirements under Regulation 165 & 166A(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Articles of Association of the Company, we have determined the Fair Value of Equity Shares as per Regulation 165 read with Regulation 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the fair price for preferential issue as per the valuation report will be Rs. 5/- per equity shares of Rs. 10/- each