

Valuation Report of Shares of  
Ashiana Ispat Limited

CIN - L27107RJ1992PLC006611

Valuation Date: August 29, 2023

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## COMPANY OVERVIEW

Ashiana Ispat Limited ("Company" or "AIL") is an entity incorporated on March 25, 1992 under Ministry of Corporate Affairs (MCA). The Registered office of the Company is A-1116 RIICO Industrial Area, Phase III Bhiwadi Alwar Rajasthan 301019.

The Company is a BSE (Bombay Stock Exchange) Listed Public Limited Entity having Authorised Share Capital of Rs. 150,000,000 and Paid-up Share Capital of Rs. 79,648,000. The Current Status of the Company as per MCA Records is - Active.

Following are the directors/ signatories of the Company:

Sr. No.	Name of Directors/ Signatories	DIN/ PAN
1	Naresh Chand	00004500
2	Puneet Jain	00814312
3	Harun Rashid Ansari	AFHPA3001M
4	Shruti Jain	07129355
5	Anu Bansal	09205586
6	Ashita Jain	09802051
7	Ravindra Kumar Jain	AAMPJ9834B

The company has been the Industry Pioneer in innovative and highly durable products in TMT Bars. Credited with setting up one of the largest and First steel bar manufacturing unit in Bhiwadi region, District Alwar, Rajasthan, the Company has always strived to provide quality standards that can compete with the best in the world. It manufactures Thermo Mechanically Treated (TMT) steel bars of varying grades: Fe 415, Fe 500 and Fe 550 (with elongation values more than 14.5%) in 8mm to 32mm sizes. Kamdhenu Group took over the Company in the year 1996 and continuously modernized and expanded it.





Today it is producing world class Kamdhenu Brand TMT Bars. It has adopted Thermex Technology (Thermex, HSE, Germany) having installed capacity of 240000 MT pa. The TMT Bars produced by the Company are marketed under the Brand "Kamdhenu". The Brand is established since last 25 years and is a leading one on national level due to its consistent quality. It commands substantial premium over others in the market.

#### *Promoters of the Company*

The Promoters Group which took over the Company in 1996 is a renowned Kamdhenu Group involved in the manufacturing of TMT Bars.

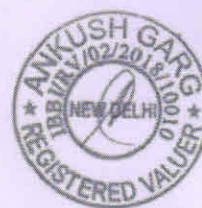
- *Mr. Naresh Chand* is one of the Directors of AIL. He is a Master in Science (Physics). He also completed his master in Education. He started his career in business as trader and in 1995 in association with Sh. Satish Aggarwal and others promoted Kamdhenu Ispat Limited. The beginning of his new career was not an easy affair but he proved that he was made of the same wood from which successful businesspersons are hewn. Along the way, he worked many 15-hours daily, traveled to work sites and offices. Only through hard work, circumspection, and patience did he reach his goal and within short span of time, Kamdhenu Ispat Limited became a leading steel manufacturer of northern India and expanding the market base a BSE listed company Ashiana Ispat Limited was taken over.
- *Mr. Puneet Jain* is a Graduate from Delhi University. He started his career as Whole time Director on the Board of Kamdhenu limited (formerly known as Kamdhenu Ispat limited). Mr. Puneet Jain is a highly accomplished and performance driven steel industry entrepreneur with more than two decades experience at Board level in various areas such as business strategy and planning, operations and maintenance management, project management, supply chain management, design and



engineering and HR etc. He has a strong flair for innovations and low-cost reliability solutions. Before moving into the position of Managing Director roles he has had a long experience in TMT Bar manufacturing; Bulk material handling & processing and Maintenance management.

- *Mrs. Anu Bansal* is highly competent and imaginative interior designer with extensive experience on working on a mixture of project. She has got the efficient leadership qualities with the ability to motivate peers. She is enthusiastic and quick learner with ability for multitasking as well. Her presence on the Board is immensely beneficial to the Company keeping in view of her brilliant academic career.
- *Mrs. Shruti Jain* is a graduate from Punjab University and has also completed her Master of Business Administration from most reputed The ICFAI University, Dehradun in the year 2010. She has also completed Doctor of Philosophy in Management from Singhania University, Rajasthan. She belongs to the family having very successful business entity manufacturing Jai Bharat Saria. Mrs. Shruti Jain is highly qualified and having rich academic experience of Business Management and Administration.

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## VALUATION OF SHARES

### 1. Scope and Background for Valuation

We have been appointed by the Company on August 21, 2023 to estimate the fair value of shares of the Company. Accordingly, the Company only is the intended user of this report. The purpose of valuation is to comply with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for further issue of shares through preferential allotment.

### 2. Disclosure of Interest

The valuer is a registered individual valuer and does not have any sort of interest in the company. Further, the valuer is not having any type of conflicts with any party, related to the above securities.

### 3. Disclaimers and Limitations

- i. This report has been prepared solely for limited purpose as mentioned above and should not be relied upon for any other purpose and without appreciation of the limitations under which the valuation has been carried out. We do not assume any responsibility or liability to any third party to whom the report is disclosed or otherwise made available. Consequently, users are cautioned that this valuation Report may not be appropriate for the purposes other than as described above.



- ii. The valuation may be based on the company's unaudited records and future projections prepared by the management.
- iii. The valuer does not give any representation or warranty (express or implied) in relation to the accuracy, reasonableness and/or completeness of the information contained in this document. No responsibility or liability is accepted for any direct, indirect or consequential loss or damage suffered by any person arising there from and the same is expressly disclaimed.
- iv. As per the management, there is no contingent or any other liability which has arisen either as on or after the date of valuation which are likely to affect materially the state of the balances of accounts as on that date.
- v. For the purpose of this assignment we have relied upon and accepted the information and representations made available to us by the management of the Company and our conclusions are dependent on such information being complete and accurate in all material aspects.
- vi. Although we have ensured the appropriateness of the estimates and assumptions, we were neither required nor have we independently verified, or carried out a due diligence of the management's information and future projections (wherever applicable) submitted to us for the purpose of this valuation. Valuation is based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price





will be offered or accepted. Actual results achieved during the period covered will vary from these estimates and these variations may be material. We express no opinion as to how closely the actual results will correspond to the results projected.

- vii. In furnishing this report, we reserve the right to amend or replace the report at any time. Our engagement will be governed by and construed in accordance with Laws of India. All disputes hereunder will be subject to final & binding arbitration in New Delhi, India in accordance with Arbitration & Conciliation Act, 1996 as amended.
- viii. The Company or user of this report has verified the factual accuracy of the contents of the report. In case of any discrepancy, the same must be brought to the notice of undersigned within 5 days of issuance of this report.

#### 4. Bases, Premise, Approach and Method of Valuation

##### Bases of Valuation

Fair Value of shares of the Company.

##### Valuation Premise

The valuation has been conducted on the premise of Going Concern Value.

Going concern value

It is the value of a business enterprise that is expected to continue to operate in the future.

The intangible elements of Going Concern Value result from factors such as having a



trained work force, an operational plant, the necessary licenses, marketing systems, and procedures in place etc.

Valuation by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. Given the same set of facts and using the same assumptions, expert opinions may differ due to the number of separate judgment decisions. There can therefore be no standard formulae to establish an indisputable value, although certain formulae are helpful in assessing reasonableness.

The Fair Value of shares has been computed by considering compliance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

#### **Definition of Fair Value**

Valuation Standards 2018 issued by The Institute of Chartered Accountants of India defines Fair Value as:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. Fair value is the price in an orderly transaction in the principal (or most advantageous) market at the valuation date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value is usually synonymous to market value except in certain circumstances where characteristics of an asset translate into a special asset value for the party(ies) involved.





### **Price**

Fair value assumes that the price is negotiated in a free market (which may be domestic or international). Fair value reflects characteristics of an asset which are available to market participants in general and do not consider advantages/ disadvantages which are available/applicable only to particular participant(s).

The price in the principal (or most advantageous) market used to measure the fair value of the asset shall not be adjusted for transaction costs. To this end, a market in which the volume and level of activities is high, or one in which the realisation from an asset is maximum, is considered.

### **Orderly transaction**

Orderly transaction is a transaction that assumes exposure to the market for a period before the valuation date to allow for marketing activities that are usual and customary for transactions involving such assets or liabilities and it is not a forced transaction. The length of exposure time will vary according to the type of asset and market conditions.

### **Market participants**

Market participants are willing buyers and willing sellers in the principal (or most advantageous) market for the asset or liability that have all of the following characteristics:

(a) they are independent of each other, that is, they are not related parties as defined under applicable accounting framework and set of reporting/ accounting standards therein, although the price in a related party transaction may be used as an input to a fair value measurement if the entity has evidence that the transaction was entered into at market terms;



(b) they are knowledgeable, having a reasonable understanding about the asset or liability and the transaction using all available information, including information that might be obtained through due care that is usual and customary;

(c) they are able to enter into a transaction for the asset or liability; and

(d) they are willing to enter into a transaction for the asset or liability, i.e., they are motivated but not forced or otherwise compelled to do so.

### Valuation Approaches

#### **Market Approach**

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

The following are some of the instances where a valuer applies the market approach:

- (a) where the asset to be valued or a comparable or identical asset is traded in the active market;
- (b) there is a recent, orderly transaction in the asset to be valued; or
- (c) there are recent comparable orderly transactions in identical or comparable asset(s) and information for the same is available and reliable.

#### **Cost Approach**

Cost approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).





In certain situations, historical cost of the asset may be considered by the valuer where it has been prescribed by the applicable regulations/law/guidelines or is appropriate considering the nature of the asset.

Examples of situations where a valuer applies the cost approach are:

- (a) an asset can be quickly recreated with substantially the same utility as the asset to be valued;
- (b) in case where liquidation value is to be determined; or
- (c) income approach and/or market approach cannot be used

The following are the two most commonly used valuation methods under the Cost approach:

- (a) Replacement Cost Method; and
- (b) Reproduction Cost Method.

### **Income Approach**

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

This approach involves discounting future amounts (cash flows/income/cost savings) to a single present value. The following are some of the instances where a valuer applies the income approach:

- (a) where the asset does not have any market comparable or comparable transaction;
- (b) where the asset has fewer relevant market comparable; or



(c) where the asset is an income producing asset for which the future cash flows are available and can reasonably be projected.

Some of the common valuation methods under income approach are as follows:

- (a) Discounted Cash Flow (DCF) Method;
- (b) Relief from Royalty (RFR) Method;
- (c) Multi-Period Excess Earnings Method (MEEM);
- (d) With and Without Method (WWM);
- (e) Comparable Companies Multiple Method and;
- (f) Option pricing models such as Black-Scholes-Merton formula or binomial (lattice) model.

A valuer can make use of one or more of the processes or methods available for each approach. The appropriateness of a valuation approach for determining the value of an asset would depend on valuation bases and premises. In addition, some of the key factors that a valuer shall consider while determining the appropriateness of a specific valuation approach and method are:

- (a) nature of asset to be valued;
- (b) availability of adequate inputs or information and its reliability;
- (c) strengths and weakness of each valuation approach and method; and
- (d) valuation approach/method considered by market participants.

#### Method Adopted

The Company being a listed company, we have considered the valuation regulations applicable to preferential issue of Equity Shares as defined in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the





requirements of the Articles of Association of the Company and the provisions of the Companies (Share Capital and Debentures) Rules, 2014 (as amended).

SEBI Regulations for requirement of Valuation:

Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, As amended

The relevant regulations are reproduced as under:

*Regulation 164 (1) - Pricing of frequently traded shares*

*If the equity shares of the issuer have been listed on a recognised 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 recognised stock exchange preceding the relevant date; or*
- b. the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.*

*Provided that if the Articles of Association of the issuer provide for a method of determination which results in a floor price higher than that determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue.*

*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 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 proviso.*

Accordingly Fair Value of Equity Shares has been determined as **higher** of the following:

- 1) Value as per Regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- 2) Value as determined by independent registered valuer which shall be the Weighted average of Net Asset Method (Cost Approach) and Comparable Companies Multiple Method (Income Approach). Discounted Cash Flow Method has not been used considering future cash flow projections were not available and could not be reliably estimated.

Compliance with International Valuation Standards and Valuation Standards issued by The Institute of Chartered Accountants of India has been ensured while preparing this report.

## 5. Source of Information

For the purpose of valuation, we have relied on the following information made available to us by the management:

- i. Financial Statements as on March 31, 2022;





- ii. Financial Statements as on March 31, 2023;
- iii. MOA and AOA of the Company;
- iv. Data as made available for public by Ministry of Company Affairs (MCA) through its website;
- v. Data as made available for public by Bombay Stock Exchange (BSE) through its website;
- vi. Other relevant details regarding the Companies such as their history, their promoters, past and present activities, other relevant information and data including information in the public domain;
- vii. Such other information and explanations as we required and which have been provided by the management.

## 6. Valuation of Shares

### As per Regulation 164 of SEBI, ICDR

- i) the 90 trading days volume weighted average price of the equity shares quoted on BSE preceding the valuation date i.e. Rs. 30.67 (Refer Annexure 1)
- ii) the 10 trading days volume weighted average price of the equity shares quoted on BSE preceding the valuation date i.e. Rs. 29.29 (Refer Annexure 1)

Accordingly, Value of the equity share as per Regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as on valuation date has been considered as Rs. 30.67 per equity share.



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Value as determined by independent registered valuer

Net Asset Value Method - We have considered the latest available provisional balance sheet of the Company as on 31 March 2023 and have computed net worth per equity shares of the Company. Our calculations are given below:

Particulars	Amount (Rs. In Lakhs)
<b>Non Current Assets</b>	<b>3,280.36</b>
Property, Plant & Equipments	3,192.31
Intangible Assets	
Other Non Current Assets	88.05
<b>Current Assets</b>	<b>13,789.31</b>
Inventories	3,412.48
Trade Receivable	7,323.97
Investments	10.00
Cash and Cash equivalents	16.69
Other Bank Balances	111.46
Other Current Assets	2,914.71
<b>Total Book Value of Assets (A)</b>	<b>17,069.67</b>
<b>Non Current Liabilities</b>	<b>3,485.92</b>
Long Term Borrowings	3,268.05
Long Term Provisions	39.77
Deferred Tax Liabilities	178.10
<b>Current Liabilities</b>	<b>9,869.67</b>
Short Term Borrowings	5,855.69
Trade and Other Payables	3,479.20
Other Financial Liabilities	8.50
Other Current Liabilities	458.69
Short Term Provisions	67.59
<b>Total Book Value of External Liabilities (B)</b>	<b>13,355.59</b>
<b>Net Asset Value (A-B)</b>	<b>3,714.08</b>
<b>Number of Equity Shares Outstanding (No. in Lakhs)</b>	<b>79.65</b>
<b>Equity Value Per Share (In Rs.)</b>	<b>46.63</b>

Accordingly, we have computed the value under Net Asset Method (Cost Approach) to be Rs. 46.63 per equity share.





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Comparable Companies Multiple Method - Under this approach, we have computed fair value per equity share using EV to EBITDA Multiple. The EV to EBITDA multiple has been considered based on average of multiples of following leading peer companies that are listed on BSE Limited:

Leading Companies	EV to EBITDA
JSW Steel Limited	13.62
Tata Steel Limited	5.83
Hindalco Industries Limited	5.56
Jindal Steel & Power Limited	6.30
Steel Authority of India Limited	6.61
<b>Average EV to EBITDA Ratio</b>	<b>7.58</b>

Source - www.moneycontrol.com

Computation of fair value using EV to EBITDA multiple:

S.no.	Particulars	Unit	Value
1	EBITDA for the year ended 31 Mar 2023	Rs. in Lakhs	1,280.34
2	EV to EBITDA multiple	X	7.58
3	<b>Enterprise Value (1) * (2)</b>	<b>Rs. in Lakhs</b>	<b>9,710.10</b>
4	Less: Long Term Debt	Rs. in Lakhs	(9,123.74)
5	Add: Cash and Cash Equivalents	Rs. in Lakhs	128.15
6	<b>Net Equity Value (3) - (4) + (5)</b>	<b>Rs. in Lakhs</b>	<b>714.51</b>
7	No. of Equity Shares	Lakhs	79.65
	<b>Value per Equity Share (6) / (7) Rs.</b>		<b>8.97</b>

Therefore, value of the equity share using Comparable Companies Multiple Method as on valuation date has been considered as **Rs. 8.97 per equity share.**

**Weighted Average Value of Shares:**

Valuation Method	Approach	Value per Share	Weight	Value * Weight
Net Asset Method	Cost Approach	46.63	0.50	23.32
Comparable Companies Multiple Method	Income Approach	8.97	0.50	4.49
<b>Value per Share as determined by independent registered valuer</b>				<b>27.80</b>



Therefore, Value as determined by independent registered valuer (Weighted average of Net Asset Method and Comparable Companies Multiple Method) has been considered as Rs. 27.80 per equity share.

## 7. Value Conclusion

Valuation Method		Value per share
Value as per Regulation 164 of SEBI, ICDR	A	30.67
Value as determined by independent registered valuer	B	27.80
Higher of A and B		30.67

We have been informed that the proposed transaction (issue of equity shares) will not result in change in control of the Company. Hence guidance on control premium is not considered under Regulation 166A.

To the best of our knowledge and understanding, and relying upon the information and assumptions as mentioned above the value per equity share of the Company works out to be Rs. 30.67 (Rupees Thirty and paise Sixty Seven only) per equity share as on August 29, 2023.



Ankush Garg  
Independent Registered Valuer  
Securities or Financial Assets  
IBBI Reg. No.: IBBI/RV/02/2018/10010  
VRN: T0V/2023-2024/5042  
UDIN: 23514204 BGVJFI 9325  
Date: August 29, 2023  
Place: New Delhi



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### Volume Weighted Average Price for 90 Trading Days

Day No.	Date	WAP	No. of Shares	Total Turnover
1	28-Aug-23	29.31	14,956	438,337
2	25-Aug-23	28.97	38,959	1,128,832
3	24-Aug-23	27.92	26,628	743,380
4	23-Aug-23	29.05	11,045	320,818
5	22-Aug-23	29.49	70,466	2,078,028
6	21-Aug-23	30.15	16,380	493,879
7	18-Aug-23	29.36	18,686	548,608
8	17-Aug-23	29.68	46,071	1,367,304
9	16-Aug-23	29.03	58,781	1,706,258
10	14-Aug-23	30.77	12,989	399,618
11	11-Aug-23	29.99	81,862	2,455,322
12	10-Aug-23	29.57	197,384	5,836,294
13	09-Aug-23	30.63	57,510	1,761,558
14	08-Aug-23	31.64	22,388	708,376
15	07-Aug-23	31.62	14,725	465,540
16	04-Aug-23	31.22	9,641	300,986
17	03-Aug-23	31.24	29,267	914,247
18	02-Aug-23	31.47	1,833	57,685
19	01-Aug-23	30.78	1,133	34,877
20	31-Jul-23	30.95	1,118	34,605
21	28-Jul-23	31.06	10,941	339,779
22	27-Jul-23	31.64	9,225	291,853
23	26-Jul-23	31.39	7,372	231,425
24	25-Jul-23	29.99	710	21,294
25	24-Jul-23	30.75	3,472	106,758
26	21-Jul-23	30.80	11,745	361,781
27	20-Jul-23	30.40	14,802	450,027
28	19-Jul-23	30.61	4,509	138,026
29	18-Jul-23	30.56	869	26,558
30	17-Jul-23	31.30	4,766	149,172
31	14-Jul-23	31.36	2,184	68,493
32	13-Jul-23	30.47	8,126	247,608
33	12-Jul-23	30.54	3,604	110,053
34	11-Jul-23	30.91	1,506	46,547
35	10-Jul-23	31.39	3,808	119,543
36	07-Jul-23	31.77	1,272	40,413
37	06-Jul-23	31.71	2,277	72,215
38	05-Jul-23	31.58	1,532	48,384



*Ashiana Ispat Limited**Valuation of Shares as on August 29, 2023*

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39	04-Jul-23	32.17	2,225	71,576
40	03-Jul-23	31.19	13,470	420,175
41	30-Jun-23	31.22	335	10,460
42	28-Jun-23	30.95	238	7,365
43	27-Jun-23	30.96	3,980	123,229
44	26-Jun-23	31.81	4,220	134,245
45	23-Jun-23	31.31	4,932	154,420
46	22-Jun-23	31.64	2,955	93,502
47	21-Jun-23	31.23	7,119	222,335
48	20-Jun-23	32.33	6,627	214,232
49	19-Jun-23	31.35	6,103	191,353
50	16-Jun-23	30.52	4,505	137,499
51	15-Jun-23	31.92	5,554	177,262
52	14-Jun-23	32.32	39,753	1,284,668
53	13-Jun-23	31.77	874	27,771
54	12-Jun-23	31.49	3,368	106,073
55	09-Jun-23	31.17	29,252	911,876
56	08-Jun-23	32.77	5,600	183,499
57	07-Jun-23	33.02	845	27,906
58	06-Jun-23	33.53	5,445	182,588
59	05-Jun-23	34.13	3,601	122,920
60	02-Jun-23	33.98	7,903	268,552
61	01-Jun-23	35.63	8,650	308,163
62	31-May-23	33.68	6,742	227,067
63	30-May-23	34.26	4,311	147,714
64	29-May-23	33.80	6,751	228,188
65	26-May-23	35.93	2,031	72,981
66	25-May-23	35.19	420	14,780
67	24-May-23	36.30	2,614	94,881
68	23-May-23	34.61	773	26,750
69	22-May-23	35.06	605	21,213
70	19-May-23	36.72	2,306	84,687
71	18-May-23	35.87	352	12,627
72	17-May-23	35.54	3,214	114,240
73	16-May-23	35.40	1,203	42,590
74	15-May-23	36.66	858	31,457
75	12-May-23	39.42	15,055	593,518
76	11-May-23	35.72	9,828	351,070
77	10-May-23	32.17	4,699	151,189
78	09-May-23	33.72	832	28,057
79	08-May-23	32.52	1,350	43,896
80	05-May-23	33.96	137	4,653
81	04-May-23	33.38	2,893	96,555





82	03-May-23	32.10	1,626	52,201
83	02-May-23	32.19	337	10,849
84	28-Apr-23	33.75	501	16,907
85	27-Apr-23	33.10	1,230	40,710
86	26-Apr-23	34.15	1,940	66,249
87	25-Apr-23	35.12	2,666	93,625
88	24-Apr-23	35.97	706	25,393
89	21-Apr-23	35.33	2,128	75,190
90	20-Apr-23	36.27	1,122	40,690
Total			1,071,326	32,856,077

Volume Weighted Average Price for 90 Trading Days

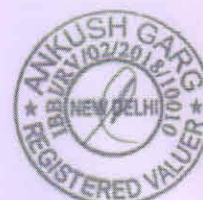
Traded Turnover	32,856,077
No. of shares traded	1,071,326
Volume Weighted average price for 90 trading days	30.67

Volume Weighted Average Price for 10 Trading Days

Day No.	Date	WAP	No. of Shares	Total Turnover
1	28-Aug-23	29.31	14,956	438,337
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3	24-Aug-23	27.92	26,628	743,380
4	23-Aug-23	29.05	11,045	320,818
5	22-Aug-23	29.49	70,466	2,078,028
6	21-Aug-23	30.15	16,380	493,879
7	18-Aug-23	29.36	18,686	548,608
8	17-Aug-23	29.68	46,071	1,367,304
9	16-Aug-23	29.03	58,781	1,706,258
10	14-Aug-23	30.77	12,989	399,618
Total			314,961	9,225,062

Volume Weighted Average Price for 10 Trading Days

Traded Turnover	9,225,062
No. of shares traded	314,961
Volume Weighted average price for 10 trading days	29.29





# BIR SHANKAR & Co.

Company Secretaries

(Pursuant to Regulation 163(2), Part III of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 including any amendment/modification thereof)

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To

The Board of Directors

Ashiana Ispat Limited

A-1116, Phase-III, RIICO Industrial Area,

Bhiwadi, Alwar,

Rajasthan-301019

I, Bir Shankar, Proprietor of M/s. Bir Shankar & Co. Practising Company Secretary/ Company Secretaries have been appointed vide by Letter no. 02 dated 14.08.2023 by Ashiana Ispat Limited (hereinafter referred to as 'Company'), having CIN -L27107RJ1992PLC0006611 and having its Registered Office at A-1116, Phase-III, RIICO Industrial Area, Bhiwadi, Alwar, Rajasthan-301019 to issue this Compliance Certificate in accordance with Regulation 163(2) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2018 as amended from time to time, (hereinafter referred to as "Regulations").

In accordance with the Regulations, the Company has proposed an issue of 8750000 (Eighty-seven Lakh Fifty Thousand ) Equity shares with face value of Rs. 10/- each, fully paid up on a preferential basis with an issue price of Rs. 32/- each/- ('**Proposed Preferential issue**'). The proposed preferential issue was approved at the Meeting of Board of Directors of the Company held on 29.08.2023.

On the basis of the relevant management inquiries, necessary representations and information received from/furnished by the management of the Company, as required under the aforesaid Regulations, I/we have verified that the issue is being made in accordance with the requirements of these Regulations as applicable to the preferential issue, more specifically, the following:

- i. Memorandum of Association and Articles of Association of the Company;
- ii. The Present capital structure including the details of the Authorised, Subscribed, Issued and Paid up share capital of the Company along with the shareholding pattern;
- iii. Resolutions passed at the meeting of the Board of Directors;
- iv. List of Proposed Allottees;
- v. The relevant date in accordance with Regulation 161 of the Regulations. The relevant date for the purpose of said minimum issue price was 29.08.2023 being the preceding day to September 28, 2023, 30 (thirty) days prior to the date of the General Meeting which the resolution shall be deemed to be passed on, September 28, 2023. August 29, 2023, is reckoned as the relevant date.





- vi. The statutory registers of the Company and List of shareholders issued by RTA:
- to note that the equity shares are fully paid up.
  - all equity shares held by the proposed allottees in the Company are in dematerialised form.
- vii. Disclosures under the SEBI (Prohibition of Insider Trading) Regulations, 2015 & the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, if any, made by proposed allottees during the 90 trading days preceding the relevant date;
- viii. Details of buying, selling and dealing in the Equity Shares of the Company by the proposed allottees, Promoter or Promoter Group during the 90 trading days preceding the relevant date;
- ix. Permanent Account Numbers of the proposed allottees, except those allottees who are exempt from specifying their Permanent Account Number for transacting in the securities market by the Board;
- x. Draft notice of General Meeting, Explanatory Statement and Shareholders Agreement (if any):
- to verify the disclosure in Explanatory Statement as required under Companies Act, 2013 & the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 163(1) of the Regulations.
  - to verify the tenure of the convertible securities of the company that it shall not exceed eighteen months from the date of their allotment. *(not applicable)*
  - to verify the lock-in period as required under Regulation 167 of the Regulations
  - to verify the terms for payment of consideration and allotment as required under Regulation 169 of the Regulations.
- xi. Computation of the minimum price of the shares to be allotted in preferential issue in accordance with the Regulations. The minimum issue price for the proposed preferential issue of the Company, based on the pricing formula prescribed under these Regulations has been worked out at Rs.30.67.
- xii. Board/shareholders' resolution and statutory registers to verify that promoter(s) or the promoter group has not failed to exercise any warrants of the Company which were previously subscribed by them; *(not applicable)*
- xiii. Valuation Report of Independent Registered Valuer for pricing of infrequently traded shares; *(not applicable)*
- xiv. Valuation Report of the assets done by the Independent Registered Valuer for issuance of securities for consideration other than cash and its submission to the stock exchanges where the equity shares of the Company are listed; *(not applicable)*



xv. Verified the relevant statutory records of the company to confirm that:

- i. it has no outstanding dues to the SEBI, the stock exchanges or the depositories except those whose are the subject matter of a pending appeal under "Processing of waiver applications by the Exchanges in case of commonly listed entities" under SEBI Circular ref. no. SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated January 22, 2020 for waiver of penalty or proceeding(s), which has been lying before Bombay Stock Exchange Limited.
- Company has paid the requisite fees for availing the waiver of penalties vide NEFT UTR No.:- SBIN223069079652 DATED 10.03.2023 OF Rs.10,000/-
- NEFT UTR No.:- YESB30699502346 DATED 10.03.2023 OF Rs. 1,800/- and have made a formal request for waiving the fees vide their letter dated 14.03.2023.
- Information in this clause are based on the information and records provided to us by the Management of the Company which we have verified. Apart from this the management is responsible for any other penalty proceeding initiated by any regulatory authority.
- ii. is in compliance with the conditions for continuous listing of equity shares as specified in the listing agreement with the stock exchange where the equity shares of the company are listed and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended, and any circular or notification issued by the Board thereunder.

It is the responsibility of the Management to comply with the requirements of the Regulations, including the preparation and maintenance of all accounting and other relevant supporting records, designing, implementing and maintaining internal control relevant to preparation of Notice and explanatory statement, determination of relevant date & minimum price of shares and making estimates that are reasonable in the circumstances.

#### Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the Company.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We are not expressing any opinion on the price computed / calculated and/or the price at which the shares are being issued by the Company.
4. This certificate is solely for the intended purpose of compliance in terms of aforesaid Regulations and for your information and it is not to be used, circulated, quoted or otherwise referred to for any other purpose other than compliance with the aforesaid Regulations.





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**Certification:**

Based on my/our examination of such information/documents and explanation furnished to me/us by the management and employees of the Company and to the best of my/our knowledge and belief, I/we hereby certify that proposed preferential issue is being made in accordance with the requirements of the Regulations.

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**For Bir Shankar & Co.,**

**Company Secretaries**



Name: Bir Shankar

Membership No: F6604

C. P.: 7076

UDIN:F006604E000885471



**Date: 29.08.2023**

**Place: Delhi**