

NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting (“AGM”) of the members of SHRIRAM AUTOMALL INDIA LIMITED (The Company) will be held on **Monday, August 22, 2022 at 02:00 P.M IST** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the reports of the Board of Directors and the auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an Ordinary Resolution:**

“RESOLVED THAT the audited financial statements including Balance Sheet of the Company as at March 31, 2022, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Directors’ and Auditors’ Reports thereon, placed before the meeting, be and are hereby considered and adopted.”

- 2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the report of the auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT the audited consolidated financial statements including Balance Sheet of the Company as at March 31, 2022, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Auditors’ Reports thereon, placed before the meeting, be and are hereby considered and adopted.”

- 3. To declare dividend on Equity shares for the financial year ended March 31, 2022 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary resolution:**

“RESOLVED THAT a dividend at a rate of Rs. 4/- (Four Rupees Only) per Equity share of face value Rs. 10/- (Rupees Ten) each fully paid-up of the Company as recommended by the Board of Directors be and is hereby declared for the financial year ended March 31, 2022 and the same be paid out of profits of the Company.

- 4. To appoint a Director in place of Mr. Vinay Sanghi, (DIN: 00309085) who retires by rotation at this meeting under section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment as a Director of the Company and in this**

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

regard, to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary resolution:

“RESOLVED THAT pursuant to the provisions of section 152 and other applicable provisions of the Companies Act, 2013, Mr. Vinay Sanghi, (DIN: 00309085) who retires by rotation at this meeting and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.”

5. **To fix remuneration of statutory auditors, M/s. S.R. Batliboi & Associates LLP, Chartered accountants Firm (Firm Registration No. 101049W/E300004), of the Company from the financial year 2022-2023 and in this regard, to consider and if thought fit, to pass, with or without modification(s) the following resolution as an ordinary resolution:**

“RESOLVED THAT pursuant to the provisions of section 142 and other applicable provisions, if any, of the Companies Act, 2013 (“The Act”), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration Number: 101049W/E300004), who were appointed as Statutory Auditors of the Company including Tax Audit at the 10th Annual General Meeting (AGM) held on July 03, 2019 to hold office from conclusion of 10th AGM until the conclusion of 15th AGM of the Company, be paid remuneration of Rs. 30,00,000/- exclusive of out-of-pocket expenses goods and services tax and other taxes as applicable which will be charged at actuals for this Financial Year 2022-2023.

RESOLVED FURTHER THAT remuneration of Rs. 23,00,000/- as approved by Shareholders at its 12th Annual General Meeting be and is hereby ratified and remuneration paid to M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration Number: 101049W/E300004) for the Financial Year 2021-22 is approved by the Board of Directors in consultation with M/s. S.R. Batliboi & Associates LLP, Chartered Accountants is Rs. 26,00,000/-”

SPECIAL BUSINESS:

6. **To approve Related Party Transaction on account of proposed Option buy back offer to Key Managerial Personnel and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as ordinary resolution:**

“RESOLVED THAT pursuant to the provisions of section 188 and any other relevant applicable provisions of the Companies Act, 2013 (“the Act”) read with rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 including any statutory modifications or re-enactments thereof for the time being in force, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to pay sum of Rs. 1068.69 Lakhs payable to Mr. Sameer Malhotra, CEO & Whole Time Director and Mr. Satish Kumar Garg, Chief Financial Officer of the Company being a

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

related party to the Company under section 2(76) of the Act on account of Option Buy Back Offer, details of said payment as under:

Name	Designation	Number of Options proposed to Buy back	Amount (In Lakhs)
Mr. Sameer Malhotra	CEO & Whole Time Director	1,75,615	1,053.69
Mr. Satish Kumar Garg	Chief Financial Officer	2,500	15.00
Total		1,78,115	1,068.69”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

7. **To approve Buy Back of options vested to the employees of the Company under Company’s ESOP PLAN I, II and III 2018 and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as Special resolution:**

“**RESOLVED THAT** in accordance with the Articles of Association of the Company and provisions of sections 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013, and Rule 17 of the Companies (Share Capital and Debenture Rule) 2014, including any statutory modification(s) or re-enactment of the Act for the time being in force and subject to the approvals, permissions and sanctions as may be necessary with such conditions and modification(s) as may be prescribed, or imposed which may be agreed to, the consent of the shareholders of the Company be and is hereby accorded for the buy-back of maximum 2,72,156 (Two Lakh Seventy Two Thousand One Hundred Fifty Six Only) Vested Options from the Option holders of the Company which were issued under Company’s ESOPs Scheme I, II and III-2018, at a price not exceeding Rs.600 /- (Rupees Six Hundred Only) per Vested Option to be financed out of the Free Reserves such that the aggregate consideration for the Options to be bought-back does not exceed Rs.16,32,93,600/- (Rupees Sixteen Crores Thirty Two Lakhs Ninety Three Thousand Six Hundred Only) (“Maximum Buy-back Size), being less than 25% of the Company’s total paid up capital and free reserves based on the audited financial statements of the Company as at 31st March, 2022 (the process being hereinafter referred to as “buy-back”) through tender offer, from the Option holders.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Sameer Malhotra, CEO and Whole Time Director, Mr. Umesh Govind Revankar and Ms.

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,

Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666

Corporate Identity Number (CIN) – U50100TN2010PLC074572

Aneesha Menon, Director of the Company be and are hereby authorized severally to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the buy-back, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the buy-back.”

8. Recommendation for approval of Managerial remuneration to be paid to Mr. Sameer Malhotra, CEO and whole time director, for the financial year 2022-2023 and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as Special resolution:

“RESOLVED THAT in furtherance to the resolution passed at 10th Annual General Meeting of the Company held on July 03, 2019 and in accordance with the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 (‘the Act’) read with Schedule V and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and other applicable provisions, if any, fixed remuneration to Mr. Sameer Malhotra (DIN: 01029645) CEO & Whole-time Director for the Financial Year 2022-23, revised to Rs. 106.43 Lakhs from Rs. 96.68 Lakhs (financial year 21-22) be and is hereby approved.

RESOLVED FURTHER THAT ESOP apportionment value of Rs. 42.63 Lakhs, in line with Ind AS accounting and to be charged in the books of accounts, for the financial year 2022-23 be and is hereby approved.

RESOLVED FURTHER THAT annual variable remuneration of Rs. 30 Lakhs be and is hereby approved.

RESOLVED FURTHER THAT remuneration of Rs. 1,053.69 Lakhs payable on account of Buy Back of 1,75,615 Options issued under Company’s ESOP plan II and III 2018 be and is hereby approved.

RESOLVED FURTHER THAT remuneration to Mr. Sameer Malhotra, CEO & Whole Time Director (holding DIN: 01029645) for the Financial Year 2022-2023 to be paid even in the event of loss or inadequacy of profits, during the aforesaid period, with other appointment terms and conditions remaining same and he shall perform such duties and exercise such power as may from time to time be lawfully entrusted to and conferred upon him by Board.

RESOLVED FURTHER THAT fixed, ESOP apportionment and variable remuneration to Mr. Sameer Malhotra, CEO and Whole Time Director (holding DIN: 01029645) for the Financial Year 2022-2023, be and is hereby approved.

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

RESOLVED FURTHER THAT the Board of Directors of the Company/ Nomination and remuneration Committee be and is hereby authorised to do all such acts, deeds, matters and things as may be considered and shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as already approved by the members to give effect to this resolution.”

**By Order of the Board of Directors
SHRIRAM AUTOMALL INDIA LIMITED**



**Reema P. Desai
Company Secretary**

Date: July 27, 2022

Place : New Delhi

Registered Office:

Sri Towers, Plot No: 14A,
South Phase, Industrial Estate,
Guindy, Chennai – 600032

NOTES:

1. In view of the continuing COVID-19 pandemic, Ministry of Corporate Affairs (“MCA”) have permitted conducting the Annual General Meeting through video conferencing (“VC”) or other audio-visual means (“OAVM”). MCA has issued Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No.20/2020 dated May 05, 2020, Circular No.02/2021 dated January 13, 2021, Circular No.20/2021dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No.02/2022 dated May 05, 2022 (“MCA Circulars”). In compliance with MCA Circulars, the 13th Annual General Meeting (“13th AGM” or Meeting”) of the Members of the Company will be held through VC/ OAVM, without the physical presence of the Members at a common venue. The venue of the Meeting shall be deemed to be the registered office of the Company.
2. A Member entitled to physically attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. Since this 13th AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars. Accordingly, the facility for appointment of proxies by the Members will not be available for this 13th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

3. The relevant details of Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking reappointment at this AGM is annexed.
4. The Members are requested to use the following Dial-in details to join the meeting: Click on following link:<https://zoom.us/join>. Meeting ID and password will be separately mailed to the members/participants.
5. An Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013, in respect of Item no. 6,7 and 8 are annexed hereto and forms a part of this Notice.
6. Final Dividend on Equity Shares as recommended by the Board of Directors for the Financial Year 2021-2022, if approved at the Annual General Meeting, will be payable to those eligible members whose names appeared as Members in the Register of Members of the Company as on August 15, 2022 in respect of shares.
7. In terms with provisions of Section 152(6) of the Companies Act, 2013, Mr. Vinay Sanghi, (DIN: 00309085) who retires by rotation at this meeting, Except Mr. Vinay Sanghi, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the proposed resolution as ordinary resolution set out in item number 4 of the Notice.
The relevant details of Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment, re-appointment and/or fixation of remuneration of Directors including Managing Director or Executive Director or Whole - Time Director or of Manager or variation of the terms of remuneration is annexed to the notice as **Annexure A**.
8. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a scanned copy of certified copy of the Board resolution, authorizing their representative to attend and vote on their behalf at the meeting through VC / OAVM. The said Resolution/Authorization shall be sent by email through its registered email address to reema.desai@samil.in.
9. Relevant documents referred to in the accompanying Notice and the Statements will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to reema.desai@samil.in.
10. The Company has been maintaining, inter alia, the following statutory registers at its registered office at Chennai, Tamil Nadu - 600032:

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

- i) Register of contracts or arrangements in which directors are interested under Section 189 of the Act.
- ii) Register of directors and key managerial personnel and their shareholding under Section 170 of the Act.

In accordance with the MCA Circulars, the Statutory Registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any Member during the continuance of the 13th AGM.

11. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.samil.in.
12. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
13. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.6: APPROVAL OF RELATED PARTY TRANSACTION ON ACCOUNT OF PROPOSED OPTION BUY BACK FOR KEY MANAGERIAL PERSONNEL

The members are informed that Mr. Sameer Malhotra, CEO & Whole Time Director and Mr. Satish Kumar Garg, Chief Financial Officer of the Company being a related party to the Company under section 2(76) and amount proposed to be payable to them being covered under section 188 of the Companies Act, 2013, therefore, it requires approval of the members for payment of the below stated amount on account of proposed Option Buy Back offer:

The table showing proposed option Buy back for KMP is as under:

Name	Designation	Number of Options proposed to Buy back	Amount (In Lakhs)
Mr. Sameer Malhotra	CEO & Whole Time Director	1,75,615	1,053.69
Mr. Satish Kumar Garg	Chief Financial Officer	2,500	15.00
Total		1,78,115	1,068.69

Accordingly, the Board of Directors recommends the Special Resolution at Item No. 6 of the accompanying Notice for approval of the Members of the Company.

Except Mr. Sameer Malhotra, CEO and Whole Time Director and Mr. Satish Kumar Garg, Chief Financial Officer of the Company, being Key Managerial Personnel are concerned interested in aforesaid resolution.

None of the other Directors nor their relatives in any way, concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company, if any.

ITEM No.7: TO APPROVE BUY BACK OF OPTIONS VESTED TO THE EMPLOYEES OF THE COMPANY UNDER COMPANY’S ESOP PLAN I, II AND III 2018:

The Board at its meeting held on July 27, 2022 approved the proposal of recommending Buyback of Options vested to the Employees of the Company under the Company’s ESOP Plan I, II and III 2018. As per the relevant provisions of the Companies Act, 2013

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141, Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

(hereinafter referred as "The Act") and other applicable provisions of the Companies Act, Explanatory Statement contains relevant and material information to enable the shareholders to consider and approve the Special resolution on Employee Stock Option Buyback.

Further as per sub rule (1) of Rule 17 of the Companies (Share Capital and Debenture) Rules, 2014, following information is required to be disclosed in the explanatory statement annexed to the Notice calling the Extra Ordinary General Meeting of members.

Requisite details of the buy-back are as follows:

- a) **The date of the board meeting at which the proposal for buy-back was approved by the board of directors of the Company;** July 27, 2022
- b) **The objective of the buy-back;** To return surplus cash to the employees holding Options vested under the Company's ESOP PLANs I, II and III 2018.
- c) **The class of shares or other securities intended to be purchased under the buy-back;** Options vested to the employees under SAMIL ESOP PLAN I, II and III-2018 in accordance with section 68(5)(c) of the Companies Act, 2013.
- d) **The number of securities that the Company proposes to buy-back:** 2,72,156 Options vested under Company ESOP plan I, II and III 2018
- e) **The method to be adopted for the buy-back;** The Company will adopt the Tender Offer Method for making the buy back.
- f) **The price at which the buy-back of shares or other securities shall be made;**

The Options proposed to be bought back at a price not exceeding Rs. 600 (Rupees Six Hundred only) per Vested Option (the "Maximum Buyback Price"). The Buyback Price has been arrived at based on the Valuation report issued by M/s Fedex Securities Private Limited dated July 13, 2022.

- g) **The basis of arriving at the buy-back price;** Valuation report obtained from M/s Fedex Securities Private Limited is attached as Annexure-B.

- h) **The maximum amount to be paid for the buy-back and the sources of funds from which the buy-back would be financed;**

The maximum amount required under the Buyback will not exceed INR 16,32,93,600/- (Rupees Sixteen crores Thirty Two lacs Ninety Three thousand Six hundred only) which is approximately within 10 % of the aggregate of the fully paid-up share capital and free reserves of the Company as per the audited accounts of the Company for the financial year ended March 31, 2022.

The Buyback would be financed out of free reserves of the Company. The funds borrowed, if any, from Banks and Financial Institutions will not be used for the Buyback.

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

The Company confirms that as required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall be not more than twice the paid-up capital and free reserves after the Buyback.

- i) **The time-limit for the completion of buy-back;** The Buyback of Options is proposed to be completed within a period of 3 months from the date of passing of the Special Resolution.
- j) **(i) the aggregate shareholding of the promoters and of the directors of the promoter, where the promoter is a Company and of the directors and key managerial personnel as on the date of the notice convening the General Meeting;**

The Company is professionally managed hence does not have any promoters.

Shareholding of Directors and Key Managerial Personnel of the Company is as follows:

S.No	Name	Designation	Shareholding
1.	Mr. Lakshminarayanan Subramanian	Non-Executive, Independent Director	Nil
2.	Mr. Sameer Malhotra	Whole Time Director & Chief Executive Officer	10 shares held on behalf of CarTrade Tech Limited (Holding Company) -782609 Equity Shares under ESOP Plan II, 2018 and -521739 Equity Shares under ESOP Plan III, 2018
3.	Mrs. Kishori Jayendra Udeshi	Non-Executive, Independent Director	Nil
4.	Mr. Umesh Govind Revankar	Non-Executive, Independent Director	Nil
5.	Mr. Vinay Sanghi	Director	10 shares held on behalf of CarTrade Tech Limited (Holding Company)
6.	Mrs. Aneesha Menon	Director	10 shares held on behalf of CarTrade

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141, Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

			Tech Limited (Holding Company)
7.	Mr. Akshay Shankar	Director	10 shares held on behalf of CarTrade Tech Limited (Holding Company)
8.	Mr. Vikram Alva	Director	10 shares held on behalf of CarTrade Tech Limited (Holding Company)
9.	Mr. Satish Kumar Garg	Chief Financial Officer	10,000 Equity Shares under ESOP Plan I, 2018
10.	Ms. Reema P. Desai	Company Secretary	Nil

(ii) the aggregate number of equity shares purchased or sold by persons mentioned in sub-clause (i) during a period of twelve months preceding the date of the board meeting at which the buy-back was approved and from that date till the date of notice convening the general meeting;

No Equity Shares of the Company have been purchase/sold by any Directors and Key Managerial Personnel of the Company during the period from Twelve months preceding the date of the Board Meeting at which the Buyback was approved.

(iii) the maximum and minimum price at which purchases and sales referred to in sub-clause (ii) were made along with the relevant date; Not Applicable.

k) if the persons mentioned in sub-clause (i) of clause (j) intend to tender their shares for buy-back –

(i) the quantum of shares proposed to be tendered; - N.A.

(ii) the details of their transactions and their holdings for the last twelve months prior to the date of the board meeting at which the buy-back was approved including information of number of shares acquired, the price and the date of acquisition; - N.A.

l) The Board of Directors hereby confirm that there are no defaults subsisting in repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking Company;

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

m) The Board of Directors hereby confirmed that they have made a full enquiry into the affairs and prospects of the Company and have formed the opinion:

- i. That immediately following the date on which the Annual General Meeting is convened, there shall be no ground on which the Company could be found unable to pay its debts;
- ii. As regards its prospects for this year immediately following the date of Annual General Meeting, that, having regard to Board of Directors' intentions with respect to the management of the Company's business during this year and to the amount and character of the financial resources which will in the Board's view be available to the Company during this year, the Company shall be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and
- iii. The Directors have taken into account the liabilities (including prospective and contingent liabilities), as if the Company was being wound up under the provisions of the Companies Act, 2013.

The signed undertaking and declaration pursuant to section 68 of the Companies Act, 2013 read with Rule 17 of the Companies (Share Capital & Debentures) Rules, 2014 is attached as **Annexure C**.

(n) The report of S.R Batliboi & Associates LLP, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is attached herewith as **Annexure D**.

In the opinion of the Board, the proposal for buy back is in the interest of the Company and its employees to whom options were vested under SAMIL ESOP PLAN I, II and III 2018. The Directors therefore recommend passing of the special resolution as set out in the notice.

Except Mr. Sameer Malhotra, CEO & Whole-time Director and Mr. Satish Kumar Garg, Chief Financial Officer of the Company none of the other Directors of Company nor their relatives is in any way, concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company, if any.

ITEM No.8: TO RECOMMEND APPROVAL OF MANAGERIAL REMUNERATION TO BE PAID TO MR. SAMEER MALHOTRA, CEO AND WHOLE TIME DIRECTOR, FOR THE FINANCIAL YEAR 2022-2023

The Members in its 10th Annual General Meeting held on July 03, 2019 had approved appointment of Mr. Sameer Malhotra, CEO and Whole Time Director of the Company for the period of 5 years i.e. April 01, 2019 up to March 31, 2024. The approval was with fixed remuneration capped at 10% increase Year-on-Year basis, annual variable capped at Rs. 50 Lakhs.

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

Pursuant to Section 197 of the Companies Act, 2013 ('the Act'), total managerial remuneration payable by a Public Company to its director, managing director and whole-time director, and its manager in respect of any financial year not exceeding 5% of Net Profits computed in the manner laid down in section 198 of the Act. The Company at present has only one Whole Time Director. The remuneration payable to Mr. Sameer Malhotra, CEO and Whole Time Director for the Financial Year 2022-2023 which consists 10% increment (cost to Company ('CTC') basis) in the fixed remuneration for the Financial Year 2022-23, resulting CTC be Rs. 106.36 Lakhs from Rs. 96.68 Lakhs (financial year 2021-22) and ESOP apportionment value to the Profit & Loss account of Rs. 42.63 Lakhs and annual variable remuneration of Rs. 30 Lakhs (for Financial Year 2022-23, taxable on receipt basis), to be approved for the Financial Year 2022-23.

The remuneration would payable for the Financial Year 2022-2023 which consist of ESOP apportionment value to the Profit & Loss account, may exceed limits prescribed under Companies Act 2013, notably as precautionary measure approval of shareholders is sought in the ensuing 13th AGM for remuneration payable to Mr. Sameer Malhotra, CEO and Whole Time Director for the Financial Year 2022-2023.

The Board of Directors recommends the Special Resolution at Item No. 8 of the accompanying Notice for approval of the Members of the Company.

Except Mr. Sameer Malhotra, CEO and Whole Time Director of the Company, none of the other Directors nor their relatives is in any way, concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding in the Company, if any.

INFORMATION FOR SHAREHOLDERS OF THE COMPANY REQUIRED TO BE GIVEN PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION

1. Nature of Industry:

The Company is carrying on business of providing various fee based and facilitation services in connection with trading of pre-owned commercial / passenger vehicles, construction and agricultural equipment's through its Automalls. The Company also provides services such as valuation, parking, refurbishing of pre-owned commercial and passenger vehicles.

2. Date or expected date of Commencement of Commercial Production:

Not applicable as the Company is engaged providing various fee based facilitation services.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

Not Applicable

4. Financial Performance of the Company:

The Financial Performance of the Company is as follows:

(Rs. In Lakhs)

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Revenue from operation and other Income	16,944.82	13,951.70	15,996.66	13,765.44	10,859.97
Profit before depreciation, Finance Cost and Tax but after prior period Items	5,629.53	4,172.84	4,373.42	3679.56	3,208.41
Depreciation /Amortization	1,275.48	813.02	596.92	105.26	85.65
Interest and Finance charges	566.67	398.20	305.92	50.32	10.42
Profit/(Loss) before exceptional items and Tax	3787.38	2,961.62	3,470.58	3,523.98	3,112.34
Exceptional Gain/(Loss)	0.00	0.00	0.00	0.00	0.00
Profit/Loss before Tax	3787.38	2,961.62	3,470.58	3,523.98	3,112.34
Profit/Loss after Tax	2864.80	2,636.47	2,248.63	2,533.73	2,037.22

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,

Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666

Corporate Identity Number (CIN) – U50100TN2010PLC074572

5. Foreign Investments or collaborations: Nil

II. INFORMATION ABOUT THE APPOINTEE:

S.No.	Particulars	Details
1.	Background details	<p>Mr. Sameer Malhotra has gained in-depth experience of 32 years in auctioning / trading of pre-owned commercial and passengers Vehicles. Previously, he was heading several divisions of a renowned Company engaged in financing infrastructural equipment's.</p> <p>Mr. Sameer Malhotra has worked for over 5 years as the Country Manager and Director, Asia Subcontinent, for Ritchie Bros. Auctioneers (RBA), the world's largest industrial auctioneer. He also has a decade long experience in heading several divisions of SREI Infrastructure Finance Limited (SREI), India's largest finance and rental group focused on infrastructure equipment as Sr. Vice President.</p> <p>Mr. Malhotra has worked in different organisations and handled client relationships, sales, marketing, vendor relationships, people development, team building, geographical expansion, new products development etc. He has special skill sets in areas such as man management, goals achievement, risk evaluation, training, market dynamics and communication.</p> <p>He is Bachelor of Commence (H.), ICWAI (I).</p>
2.	Past Remuneration	<p>2021-2022: Rs. 184.08 Lakhs 2020-2021: Rs. 204.93 Lakhs 2019-2020: Rs.477.62 Lakhs 2018-2019: Rs.110.39 Lakhs 2017-2018: Rs.83.39 Lakhs</p>
3.	Recognition or Rewards	<ul style="list-style-type: none"> • Best Online Market place in Pre-owned Automobile Industry-Award by International Service Pride Awards 2022 • The Most trusted Marketplace for pre-owned Vehicles & Equipment award to the Company by the Business Tycoon Awards, March 2022 • Panel Speaker at WAF EV Innovators Network conducted by World Auto Forum on April 22, 2022. • Best Innovation Award 2021-2022 by the 9th WAF Awards

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
 Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666

Corporate Identity Number (CIN) – U50100TN2010PLC074572

		<ul style="list-style-type: none"> • Eminent Jury Member at the Diversity and Inclusion Awards & Summit 2022, organized by BW People-Business World held on May 10, 2022 • Prominent Panel Speaker at ‘Construction Technologies Post-Covid19’ by Construction World • Panel Speaker at WAF Gurus Live – prominent panel speaker at WAF (World Auto Forum) Gurus Live Episode 2 on April 02, 2020 • Best Pre-Owned Commercial Vehicle Company - at the CIA World Builders and Building Material Awards 2020 on February 29, 2020 • Prominent Panel Speaker at Second Annual Conclave on Construction Equipment Financing conducted by ICEMA - presented the Company at Second Annual Conclave on Construction Equipment Financing conducted by Indian Construction Equipment Manufacturers' Association (ICEMA) on February 05, 2020 • Jury Member, at the 7th Annual Equipment Awards and Global Leaders Forum 2019 • Delhi – Best Employer Brand Awards 2019
4.	Job profile and its suitability	Responsible for day to day management, planning, supervision, control and operation of the Company under the overall supervision of the Board of Directors of the Company.
5.	Remuneration proposed	1,232.75 Lakhs (including ESOP value of Rs.42.63 lakhs and proposed Option Buy Back Rs.1053.69 lakhs)
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration is comparable with the prevailing remuneration being paid in the industry, keeping in view his qualification, knowledge & experience besides position.
7.	Pecuniary relationship directly or indirectly with the	Mr. Sameer Malhotra does not have any pecuniary relationship with the Company or Directors or any KMP.

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

	Company, or relationship with the managerial personnel or other director, if any	
--	--	--

III. OTHER INFORMATION – N.A.

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT ENSUING 13TH ANNUAL GENERAL MEETING PURSUANT TO 1.2.5 OF SECRETARIAL STANDARD 2 (SECRETARIAL STANDARDS ON GENERAL MEETINGS) IS AS FOLLOWS:

Name of Director	Mr. Vinay Sanghi
Date of Birth and Age	May 8, 1969 and 53 years
Directors Identification Number (DIN)	00309085
Date of first appointment on the Board of the Company	February 07, 2018
Expertise in specific functional areas	31 years of experience in the automobile industry
Qualifications	Bachelor's degree in commerce from the University of Bombay
Directorship held in other companies	1. Greaves Cotton Limited. 2. CarTrade Tech Limited 3. HDFC Ergo General Insurance Company Limited
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committee / Nomination and Remuneration Committee and Stakeholders Relationship Committee)	1. Greaves Cotton Limited- -Nomination and Remuneration Committee (Member) -Stakeholders Relationship Committee (Member) 2. Shriram Automall Limited – Nomination and Remuneration Committee (Member) 3. CarTrade Tech Limited – Audit Committee (Member) Nomination and Remuneration Committee (Member) Stakeholders Relationship Committee (Member)
Number of Board Meetings attended during the F.Y. 2021-2022	3 (Three)
Shareholdings in the Company	<ul style="list-style-type: none"> 10 shares held in the beneficial interest of Cartrade Tech Limited (Holding Company).
Disclosure of relationship with other Directors, Manager and other Key Managerial Personnel of the Company	No inter-se relation with other Directors or KMPs of the Company
Remuneration received from the	N.A.

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

Company during F.Y. 2021-2022	
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	Director liable to retirement by rotation. No Remuneration is paid to Non-Executive Non-Independent Director.

**By Order of the Board of Directors
SHRIRAM AUTOMALL INDIA LIMITED**



**Reema P. Desai
Company Secretary**

Date: July 27, 2022

Place: New Delhi

Registered Office:

Sri Towers, Plot No: 14A,
South Phase, Industrial Estate,
Guindy, Chennai – 600032

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572



B7 Wing, Jay Chambers,
Dayaldas Road, Vile Parle (East),
Mumbai 400 057
T : +91 22 2613 6460 / 61
M : +91 81049 85249
E-mail: mb@fedsec.in • www.fedsec.in
CIN : U67120MH1996PTC102140

STRICTLY PRIVATE & CONFIDENTIAL

July 13, 2022

Shriram Automall India Limited

Sri Towers, Plot No: 14A,
South Phase, Industrial Estate,
Guindy, Chennai – 600 032

Dear Sir,

Re: Valuation of equity shares of Shriram Automall India Limited

With reference to our engagement letter, submitted for your pursuant of request from the management of **Shriram Automall India Limited** ('SAMIL' or 'the Company'), and the subsequent discussions we had with you, in connection with the valuation of equity shares of the Company, on a 'going concern' basis, as on March 31, 2022 ('Valuation Date').

1. SCOPE AND PURPOSE OF THIS REPORT

- 1.1 Shriram Automall India Limited ('the Company' or 'SAMIL'), a company incorporated under the provisions of Companies Act, 1956 with its registered office at Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032.
- 1.2 The management of SAMIL is considering the option of buyback of vested ESOP granted to employees of the Company in accordance with the provisions of the Companies Act, 2013. In this context, the Company has requested Fedex Securities Private Limited ('Fedex') to assist in the determination of the value of equity shares ('Valuation') as on March 31, 2022 ('Valuation Date'), to comply with the requirement of Income-tax Act, 1961 and Rules made thereunder as modified from time to time and notification issued thereunder ("Purpose").
- 1.3 The Valuation is solely for regulatory/ non- financial reporting purpose. Our scope of work is limited to the Valuation of equity shares.



2. BACKGROUND

2.1. About SAMIL

2.1.1. Shriram Automall India Limited (SAMIL), an ISO 9001:2015 certified company, is India's Leading Marketplace connecting pre-owned vehicles & equipment buyers and sellers having its registered office in Chennai. The Company is engaged in business of providing an Physical/online bidding platform to facilitating the buyer/seller to buy/sell their pre-owned commercial vehicles, passenger vehicles, construction & industrial equipment, tractors & agricultural equipment, three wheelers and two wheelers. Over the years, SAMIL has facilitated over 17,50,000 customers and a full spectrum of sellers across Banks, NBFCs, Insurance Companies, OEMs & Dealers, Leasing, Rental & Aggregator Companies, Brokers, Transporters, Contractors, and End Users in their buying and selling decisions.

2.1.2. Equity Share Capital

Equity shares of SAMIL are not listed on any stock exchange. The shareholding pattern of SAMIL as at March 31, 2022 is as under:

Name of the Shareholder	No. of Shares	% of holding
CarTrade Tech Limited	1,66,30,435	55.44%
Shriram Transport Finance Company Limited	1,33,69,565	44.56%
Total	3,00,00,000	100.00%

^face value of INR 10 each

Source: Management information

3. PROCEDURES

Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including but not necessarily limited to the following:

- Considered consolidated audited financial statements of the Company for the financial year ended 31 March 2021 and March 31, 2022;
- Considered consolidated statements of projected income and expenses, assets and liabilities (including key underlying assumptions) for 10 years ending 31 March 2032 which the Management believes to be their best estimate as to the expected future operating performance of the Company ('Management Projections');
- Discussions with the Management to understand the historical and expected future performance, macroeconomic fundamentals and key value drivers affecting SAMIL;
- Consider information available in the public domain in respect of the comparable companies/ transactions, as may be relevant under the circumstances;
- Discussions and correspondence with the Management, to obtain requisite explanations and clarifications on the data provided;
- Such other analyses, reviews and inquiries, as we consider necessary. We had limited interactions with the management of SAMIL and our analysis is subject to the same.



4. SOURCES OF INFORMATION

The principal sources of information used in carrying out the Valuation included:

- a) Consolidated Audited financial statements of the Company for the financial year ended 31 March 2021 and March 31, 2022;
- b) Management Projections;
- c) Such other information and explanations as required and which have been provided by the management of the Companies; and
- d) Such other analyses, reviews and inquiries as we considered necessary.

5. EXCLUSIONS AND LIMITATIONS

- 5.1. The premise of value applied in this engagement is fair value. Fair value, as used herein, is the price, expressed in terms of money or money's worth, available in an open and unrestricted market at which the issuance of equity shares would take place between a willing buyer and a willing seller, when the former is not under any compulsion to buy and the latter is not under any compulsion to sell, both having reasonable knowledge of all the relevant facts.
- 5.2. Valuation reports may contain and/ or are 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 our predictions or as our 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 by the prospective financial analysis will vary from those described in our report and the variations may be material. Consequently, this information cannot be relied upon to the same extent as that derived from audited accounts for completed accounting periods. Any change in key assumptions underlying the Management Projections could have implications on the Valuation.
- 5.3. The robustness of the Valuation is highly dependent on the reasonableness, commercial viability and achievability of the assumptions underlying the forecasts. Whilst we have conducted a high-level analysis of the Management Projections for arithmetic and logical consistency, our review was not in the nature of an audit/ a due diligence and we do not express an opinion as to how closely the actual revenues, expenses, cash flows and position of assets and liabilities will correspond to these Management Projections. We take no responsibility for the achievement of the predicted results.
- 5.4. Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. There is, therefore, no indisputable single value. While we normally express our assessment as falling within a likely range as per requirements of this Engagement, we are providing a single value. Further, while we have provided our assessment of value based on the information available to us and within the scope and constraints of our engagement, others may place a different value to the same.
- 5.5. Valuation and outcome are inter alia based on valuation parameters prevailing as at the Valuation Date and information provided by the Management. Fedex undertakes no duty to update the valuation for events or transactions relating to the Company or changes in the market and economy trends, and valuation parameters occurring subsequent to the Valuation Date.
- 5.6. For the purpose of this engagement and report, we have made no investigation of, and assume no responsibility for the title to, or liabilities against SAMIL. Our conclusion of value assumes that the title to the assets and liabilities of SAMIL reflected in the statement of assets and liabilities is intact, as at the

Valuation Date. Further, for the purposes of this assignment, we are not required to carry out valuation of any other tangible/ intangible assets of SAMIL.

- 5.7. Actual transaction value, if any, may be higher or lower than our assessment of the value depending upon the circumstances of the transaction. The knowledge, negotiating ability and motivations of the buyers and sellers and the applicability of illiquidity discount or premium for control will also affect the price achieved. Accordingly, our assessment of the value will not be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree.
- 5.8. We are not required to and have not carried out an audit of nor independently verified the accuracy, reasonableness and completeness of the information provided by the Management. Accordingly, we do not express an opinion or offer any form of assurance regarding the accuracy, reasonableness or completeness of these data. We have also used available market data and other information in the public domain, where appropriate, for which we are not responsible in terms of content and accuracy.
- 5.9. For the purposes of this engagement, Fedex will provide the services described herein but will not act an agent or broker to SAMIL. All business decisions relating to the proposed transaction and negotiations of the terms are solely the responsibility of SAMIL and its management. We shall not be called upon to prove or defend the Valuation in any forum within the scope of the present engagement.
- 5.10. This Valuation is solely for regulatory purposes specified in paragraph 1 above.
- 5.11. Our Services are not designed to, and are not likely to reveal fraud or misrepresentation by the Management or any external parties. Accordingly, we cannot accept responsibility for detecting fraud (whether by the Management or by external parties) or misrepresentation by the Management or any other person. While performing this assignment, we have assumed the genuineness of all signatures and the authenticity of all documents and/ or copies of documents shown to us. We have also relied upon the veracity of the representations made, and the information provided to us by the Management.
- 5.12. This report forms an integral whole and cannot be split in parts. The outcome of the Valuation can only lead to proper conclusions if the report as a whole is taken into account.

6. RELIANCE ON THE MANAGEMENT

In the course of our Valuation, we have relied upon financial and other information, provided by or on behalf of the Management. Our conclusions are dependent on such information being accurate and complete in all material respects. Although we have analysed this information, the scope of our work will not enable us to accept responsibility for the accuracy and completeness of this information. We have not conducted an independent audit, due diligence/ review or validation of such financial and other information. Accordingly, we do not express an opinion or any other form of assurance thereon and we accept no responsibility or liability for any losses occasioned to SAMIL, its shareholders, their directors or shareholders, prospective investors or to any other parties as a result of our reliance on such information.

7. VALUATION APPROACH

7.1. Valuation is carried out on a 'going concern' basis including illiquidity discount. Our Valuation is based on Valuation parameters as at the Valuation Date. There are several commonly used and accepted approaches for Valuation, including:

- Income Approach - Discounted Cash Flow method
- Market Approach



- Asset Approach - Net Asset Value method

7.2. Income Approach indicates the value of a business enterprise/equity shares based on the discounted value of the cash flows that the business can be expected to generate in the future. We have adopted the Discounted Cash Flow ('DCF') method under the Income Approach for the purpose of this Valuation.

7.3. DCF method values a business based upon the available cash flow a prudent investor would expect the subject business to generate over a given period of time. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the forecast period at an appropriate discount factor.

7.4. The Free Cash Flow to Equity ('FCFE') method has been used. This method involves an estimation of post-tax free cash flows over the horizon period after consideration of the entity's requirements for reinvestment in terms of capital expenditure, change in debt and incremental working capital as well as project specific needs. The free cash flows represent the cash available for distribution to the equity shareholders of the business.

The free cash flows to equity are discounted by the cost of equity, which is considered at an appropriate discount factor. The cost of equity represents the returns required by the investors of equity for their relative funding in the entity. The return expected would depend on the perceived level of risk associated with the business of the Company and the industry in which the Company operates.

Value of equity shares of SAMIL as at March 31, 2022 is arrived at considering equity value based on DCF analysis, debt and debt like items and surplus assets, etc.

7.5. The Market Approach indicates the value of equity shares usually based on the market price or by estimating its market price on a comparison with other companies whose equity is traded on the stock exchanges. Investors are expected to pay for the earnings potential of the entity and earnings value is expected to converge towards the market value. The Market Approach may also consider the prices implied by reported transactions/ deals of comparable companies.

The market/ transaction price, as a ratio of the subject asset's attribute such as sales, book value, earnings, etc. is used to derive an appropriate multiple. This multiple is then applied to the attribute of the asset being valued to indicate the value of the subject asset.

Since, shares of SAMIL is not listed, we have not adopted the Market Approach for the Value Analysis.

7.6. Asset Approach indicates the value by considering the asset and liability balances at the Valuation Date. Asset Approach is usually based on the summation of individual piecemeal values of the underlying assets less value of the liabilities. SAMIL is an operating company and the Valuation is carried out on a 'going concern' basis. The book value of fixed assets may not be reflective of their replacement value. Considering the aforementioned, asset approach is not adopted for the valuation.

8. CONCLUSION

The value of equity shares of SAMIL as at March 31, 2022 is arrived at considering the DCF Method under Income Approach which is also an international accepted pricing methodology for valuation of shares. Based on the above considerations and the information and explanations given to us, in our opinion, the value of each equity share of INR 10/- of the Company, as on March 31, 2022 is **INR 601/-**.



9. DISTRIBUTION OF OUR REPORT

- 9.1. Our Report is solely for the purpose outlined in paragraph 1 above and to the extent mandatorily required under applicable laws of India, may be produced before the Indian Income-tax authorities in connection with the purpose outlined in paragraph 1 above.
- 9.2. We would not be called upon to defend our analysis on any forum. Our Report is not to be used, referred to or distributed for any other purpose without our written permission. In case you propose to make available our Report to any third party other than the parties to the transaction, it shall require our written consent. Consequently, you should not make our Report available or otherwise disclose our Report or that we are undertaking this assignment for you to third party other than the parties to the transaction unless we have specifically agreed with you and that party, in writing, the basis on which our Report may be made available and which we may give or withhold at our absolute discretion. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any other party to which the Report is disclosed or otherwise made available or is used for any purpose other than that indicated in paragraph 1 above.
- 9.3. This Report is not to be referred to or quoted, in whole or in part, in any offering memorandum, prospectus, registration statement, loan or other agreement or document except in the subscription documents of the securities offered to investors, without our express written approval, which may require that we perform additional work. Fedex accepts no duty, obligation, liability or responsibility to any party, other than to the Management with respect to the services and/ or this report.
- 9.4. In no event shall we be liable for any loss, damage, cost or expense arising in any way from fraudulent acts, misrepresentations or wilful default on the part of SAMIL, their directors, employees or agents. In no circumstances shall the liability of Fedex, its partners, directors or employees, relating to services provided in connection with the engagement set out in this letter (or variation or addition thereto) exceed the amount paid to us in respect of the fees charged for those services.

Thanking you,

Yours faithfully,

For Fedex Securities Private Limited

(Formerly known as Fedex Securities Limited)

 

Authorised Signatory

Place: Mumbai

HISTORICAL FINANCIAL STATEMENTS

Balance Sheet

INR in Million

Particulars as at	31-Mar-21	31-Mar-22
	Audited	Audited
Sources of Funds		
Equity Share Capital	300.00	300.00
Reservers and Surplus	1,292.92	1,602.58
Net Worth	1,592.92	1,902.58
Non-Current Liabilities		
Long term provisions	24.67	28.70
Current Liabilities		
Trade Payables	160.65	141.84
Other current liabilities	626.47	764.32
Total	2,404.71	2,837.43
Application of Funds		
Non Current Assets		
Property, Plant and Equipment	648.44	651.56
Non-Current Investments	180.53	171.35
Deferred Tax Assets	62.67	61.36
Non current tax assets (net)	40.13	73.49
Other Non-Current assets	44.80	88.32
Current Assets		
Current Investments	195.35	80.32
Trade receivables	224.62	229.57
Cash and bank balances	285.36	977.29
Short-term loans and advances	493.00	274.50
Other current assets	229.82	229.67
Total	2,404.71	2,837.43

* Audited figures are excluding the impact of IND AS 116 - Leases



Profit & Loss Statement

INR in Million

Particulars for the year/period ended	31-Mar-21	31-Mar-22
	Audited	Audited
No of Months	12	12
Revenue from Facilitation fee	972.03	1,251.62
Other business Income	622.60	660.15
Other Operating Income	31.97	37.41
<i>Revenue Growth (%)</i>		19.83%
Total Revenue from Operation	1,626.60	1,949.18
Employee benefit expense	667.42	798.76
Rent Expense	92.31	144.27
Other expenses	518.87	620.95
Total Expenses	1,278.60	1,563.98
EBITDA	348.01	385.20
<i>EBITDA (%)</i>	21.39%	19.76%
Depreciation	22.11	27.12
EBIT	325.90	358.09
<i>EBIT (%)</i>	20.04%	18.37%
Other Income	80.90	102.82
Finance Cost	-	-
PBT	406.80	460.90
Income Tax	44.75	96.59
PAT	362.05	364.31

* Audited figures are excluding the impact of IND AS 116 - Leases

 *Yashok*

SUMMARY OF MANAGEMENT PROJECTIONS

Balance Sheet

INR in Million

Particulars as at	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27
	Projected	Projected	Projected	Projected	Projected
Sources of Funds					
Equity Share Capital	300.00	300.00	300.00	300.00	300.00
Reservers and Surplus	2,055.84	2,767.05	3,841.97	5,425.24	7,714.01
Net Worth	2,355.84	3,067.05	4,141.97	5,725.24	8,014.01
Non-Current Liabilities					
Long term provisions	23.96	28.76	34.51	41.41	49.69
Current Liabilities					
Trade Payables	156.51	179.99	206.99	238.04	273.74
Other current liabilities	925.42	1,098.54	1,303.02	1,619.80	1,986.09
Total	3,461.73	4,374.33	5,686.48	7,624.49	10,323.53
Application of Funds					
Non Current Assets					
Property, Plant and Equipment	662.95	675.34	688.85	703.62	719.78
Non-Current Investments	171.35	171.35	171.35	171.35	171.35
Deferred Tax Assets	61.36	61.36	61.36	61.36	61.36
Non current tax assets (net)	73.49	73.49	73.49	73.49	73.49
Other Non-Current assets	97.15	106.87	117.56	129.31	142.24
Current Assets					
Current Investments	80.32	80.32	80.32	80.32	80.32
Trade receivables	304.25	386.96	494.30	633.97	816.20
Cash and bank balances	1,412.78	2,109.86	3,152.79	4,752.11	7,022.26
Short-term loans and advances	301.95	332.15	365.36	401.90	442.08
Other current assets	296.13	376.64	481.12	617.07	794.44
Total	3,461.73	4,374.33	5,686.48	7,624.49	10,323.53

* Projected figures are excluding the impact of IND AS 116 - Leases



Profit and Loss Statement

INR in Million

Particulars for the year/period ended	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27
	Projected	Projected	Projected	Projected	Projected
No of Months	12	12	12	12	12
Revenue from Facilitation fee	1,664.65	2,213.99	2,944.61	3,916.33	5,208.72
Other business Income	759.17	873.04	1,004.00	1,154.60	1,327.79
Other Operating Income	43.96	51.65	60.69	71.31	83.79
<i>Revenue Growth (%)</i>	<i>26.61%</i>	<i>27.19%</i>	<i>27.74%</i>	<i>28.26%</i>	<i>28.74%</i>
Total Revenue from Operation	2,467.78	3,138.68	4,009.30	5,142.24	6,620.29
Employee benefit expense	958.52	1,150.22	1,380.26	1,656.31	1,987.58
Rent Expense	165.91	190.79	219.41	252.32	290.17
Other expenses	714.09	821.20	944.38	1,086.04	1,248.95
Total Expenses	1,838.51	2,162.21	2,544.06	2,994.68	3,526.69
EBITDA	629.27	976.47	1,465.24	2,147.56	3,093.60
<i>EBITDA (%)</i>	<i>25.50%</i>	<i>31.11%</i>	<i>36.55%</i>	<i>41.76%</i>	<i>46.73%</i>
Depreciation	23.55	26.04	28.76	31.73	34.98
EBIT	605.72	950.43	1,436.48	2,115.83	3,058.62
<i>EBIT (%)</i>	<i>24.55%</i>	<i>30.28%</i>	<i>35.83%</i>	<i>41.15%</i>	<i>46.20%</i>
Other Income	-	-	-	-	-
Finance Cost	-	-	-	-	-
PBT	605.72	950.43	1,436.48	2,115.83	3,058.62
Income Tax	152.46	239.22	361.56	532.55	769.85
PAT	453.26	711.21	1,074.92	1,583.28	2,288.76

* Projected figures are excluding the impact of IND AS 116 - Leases



VALUATION WORKING -

A) Discounted Cash Flow

FYE 31 March INR Millions	Discounted cash flow											TY 12 months
	Actual/Projected Period					Normalisation Period						
	2023 12 months	2024 12 months	2025 12 months	2026 12 months	2027 12 months	2028 12 months	2029 12 months	2030 12 months	2031 12 months	2032 12 months		
Revenue	2,467.78	3,138.68	4,009.30	5,142.24	6,620.29	8,109.86	9,529.09	10,720.22	11,792.24	12,676.66	13,310.50	
y-o-y growth		27.19%	27.74%	28.26%	28.74%	22.50%	17.50%	12.50%	10.00%	7.50%	5.00%	
EBITDA	629.27	976.47	1,465.24	2,147.56	3,093.60	3,852.18	4,526.32	5,092.11	5,601.32	6,021.42	6,322.49	
EBITDA margin (%)	25.50%	31.11%	36.55%	41.76%	46.73%	47.50%	47.50%	47.50%	47.50%	47.50%	47.50%	
Less: Depreciation	(23.55)	(26.04)	(28.76)	(31.73)	(34.98)	(37.69)	(39.94)	(41.82)	(43.38)	(44.68)	(51.15)	
EBIT	605.72	950.43	1,436.48	2,115.83	3,058.62	3,814.49	4,486.37	5,050.28	5,557.93	5,976.73	6,271.34	
EBIT margin (%)	24.55%	30.28%	35.83%	41.15%	46.20%	47.04%	47.08%	47.11%	47.13%	47.15%	47.12%	
Less: Taxes on EBIT	(152.46)	(239.22)	(361.56)	(532.55)	(769.85)	(960.11)	(1,129.22)	(1,271.16)	(1,398.93)	(1,504.34)	(1,578.50)	
(Increase)/decrease in net working	(6.38)	(1.74)	(18.48)	30.81	(2.44)	(4.57)	(4.35)	(3.65)	(3.29)	(2.71)	(1.94)	
Less: Capital expenditure	(34.93)	(38.43)	(42.27)	(46.50)	(51.15)	(51.15)	(51.15)	(51.15)	(51.15)	(51.15)	(51.15)	
Free cash flows to Equity	435.49	697.08	1,042.93	1,599.32	2,270.15	2,836.36	3,341.60	3,766.15	4,147.95	4,463.21	4,690.90	
Period factor - mid year discounting	0.50	1.50	2.50	3.50	4.50	5.50	6.50	7.50	8.50	9.50	9.50	
Discount factor - mid year discounting	0.92	0.78	0.66	0.56	0.48	0.41	0.35	0.29	0.25	0.21	0.21	
Present value of cash flows to Equity	401.32	545.51	693.08	902.56	1,087.95	1,154.32	1,154.87	1,105.32	1,033.80	944.63	992.82	

Particulars	INR Millions
NPV of explicit period	9,023.34
Present Value of perpetuity	7,782.29
Equity Value	16,805.64
Add: Fair Value of Investments in securities as on March 31, 2022	251.67
Add: Fixed Deposit as on March 31, 2022	858.67
Add: Cash & Bank Balance as on March 31, 2022	118.62
Equity Value (Adjusted)	18,034.59
Less: Contingent Liability as on March 31, 2022	(4.76)
Equity Value	18,029.83
No. of Equity shares as on March 31, 2022	30,000,000
Value Per Equity Share (In INR)	601

B) Discount Rate Calculation

Computation of Cost of Equity	%	Remark
Risk Free Rate	6.34%	Average yield of 10 year bond for the 12 month ending March 31,2022
Market Return	12.76%	
Market Premium	6.42%	Source: https://pages.stern.nyu.edu/~adamodar/pc/datasets/ctryprem.xlsx
Beta (No.)	1.00	
Cost of Equity	12.76%	
Risk Premium	5.00%	For uncertainty related to CF Projections and illiquidity discount
Cost of Equity	17.76%	
Effective tax rate	25.17%	Effective Tax rate / Maximum Marginal rate





To
The Statutory Auditors,
S.R. Batliboi & Associates LLP,
 2nd & 3rd Floor, Golf View Corporate Tower-B,
 Sector-42, Sector Road,
 Gurugram-122 002

Sub: Undertaking and Declarations pursuant to Section 68 of the Companies Act, 2013 read with Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014

In connection with the proposed Buy-back of Vested Options with the employees under the ESOPs Schemes issued by the Company, in pursuance to the provisions of Section 68 of the Companies Act, 2013 (“the Act”) and rules made there-under, we hereby confirm and declare that the Board of Directors have made a full enquiry into the affairs and prospects of the Company and have formed the opinion:

- i. That immediately following the date on which the Annual General Meeting is convened, there shall be no ground on which the Company could be found unable to pay its debts;
- ii. As regards its prospects for this year immediately following the date of Annual General Meeting that, having regard to Board of Directors’ intentions with respect to the management of the Company’s business during this year and to the amount and character of the financial resources which will in the Board’s view be available to the Company during this year, the Company shall be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and
- iii. The Directors have taken into account the liabilities (including prospective and contingent liabilities), as if the Company was being wound up under the provisions of the Companies Act, 2013.

We further confirm that:

- a) We have inquired into the state of affairs of the Company in relation to its audited accounts for the year ended March 31, 2022;
- b) The amount of permissible capital payment (including premium) for the proposed buyback of vested options as computed in the table below is properly determined in our view in accordance with Section 68 (2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited financial statements of the Company as on March 31, 2022:

Particulars as on March 31, 2022	Amount (In Crores Rs.)
Paid up capital (30,000,000 shares of Rs. 10/- each)	30.00
Free Reserves:	
Profit and loss account balance	134.43

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141, Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

Total paid up capital and free reserves (A)	164.43
Maximum amount permissible under the Act with Shareholder approval:- 25% of total paid-up equity capital and free reserves (A*25%)	41.11
Maximum amount permitted by Board Resolution dated July 27, 2022 approving Buyback, subject to shareholder approval, based on the audited financial statement as on March 31, 2022.	16.33

For Shriram Automall India Limited



Sameer Malhotra
Director & CEO

Date: July 28, 2022
Place: Sydney, Australia



Aneesha Menon
Director

Date: July 28, 2022
Place: Mumbai

Shriram Automall India Limited (SAMIL)

Corporate Office : Unit No 701-711, 7th Floor, Best Business Park, Netaji Subhash Place, Pitampura, Delhi -110034 | Toll Free : 1800 102 4141,
Tel.: +91.11.41414444 | Email: contact@samil.in | Website: www.samil.in

Registered Office: Sri Towers, Plot No: 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032, India | Tel: +91.44.485 24 666 | Fax: +91.44.485 25 666
Corporate Identity Number (CIN) – U50100TN2010PLC074572

Independent Auditor’s Report on the proposed buy-back of employee stock options pursuant to the requirements of Section 68 and Section 70 of the Companies Act, 2013 read with Rule 17(n) of the Companies (Share capital and debentures Rules), 2014, as amended

The Board of Directors
Shriram Automall India Limited
7th Floor, Best Business Park,
Netaji Subhash Place,
Pitampura, New Delhi

1. This Report is issued in accordance with the terms of our service scope letter engagement letter/agreement dated July 27, 2022 and master engagement agreement dated July 30, 2019 and addendum dated January 09, 2020 and May 26, 2020 with Shriram Automall India Limited (hereinafter the “Company”).
2. The proposal of the Company to buy back its employee stock options in pursuance of the provisions of Section 68 and 70 of the Companies Act, 2013 (“the Act”) read with Rule 17(n) of the Companies (Share Capital and Debentures Rules), 2014, has been approved by the Board of Directors of the Company in their meeting held on July 27, 2022. The proposal for buyback is subject to the approval of the shareholders of the Company. The Company has prepared the attached “Statement of determination of the amount permissible capital payment for proposed buyback of employee stock options” (the “Statement”), which we have initialed for identification purposes only.

Board of Directors Responsibility

3. The preparation of the Statement is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion as specified in Rule 17(m) of the Companies (Share Capital and Debentures Rules), 2014 on reasonable grounds and that the Company, having regard to its state of affairs, shall not be rendered insolvent within a period of one year from that date. The Board of Directors are also responsible for ensuring that the Company complies with the requirements Act.

Auditor’s Responsibility

5. Pursuant to the requirements of the Act, it is our responsibility to provide reasonable assurance:
 - (i) Whether we have inquired into the state of affairs of the Company in relation to its audited standalone financial statements for year ended March 31, 2022.
 - (ii) Whether the amount of permissible capital payment for the proposed buyback of the employee stock options as included in the Statement has been properly determined in accordance with the provisions of Section 68(2)(c) of the Act;
 - (iii.) Whether the audited standalone accounts on the basis of which calculation with reference to buy back is done is not more than six months old from the date of the offer document;
 - (iv) Whether the Board of Directors have formed the opinion as specified in Rule 17(m) of the Companies (Share Capital and Debentures Rules), 2014 on reasonable grounds and that the Company, having regard to its state of affairs, shall not be rendered insolvent within a period of one year from that date.
6. The audited standalone financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated April 26, 2022. Our audits of

these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.
10. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria. Our procedures included the following in relation to the Statement:
 - i) We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements for the year ended March 31, 2022.
 - ii) Read the Articles of Association of the Company and noted the permissibility of buyback;
 - iii) Traced the amounts as mentioned in Statement from the audited standalone financial statements for the year ended March 31, 2022 and noted that these financial statements on the basis of which calculation with reference to buy back is done is not more than six months old from the expected date of offer document.
 - iv) Obtained the minutes of the meeting of the Board of Directors in which the proposed buy-back was approved and compared the buy-back amount with the permissible limit computed in accordance with section 68(2)(c) of the Act detailed in the Statement;
 - v) Obtained the minutes of the meeting of the Board of Directors in which the proposed buy-back was approved and read the Board had formed the opinion as specified in Rule 17(m) of the Companies (Share Capital and Debentures Rules), 2014 on reasonable grounds that the Company shall not, having regard to the state of affairs, be rendered insolvent within a period of one year from that date;
 - vi) Obtained necessary representations from the management of the Company.

Opinion

11. Based on our examination as above, and the information and explanations given to us, we report that:
 - (i) We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements for year ended March 31, 2022.
 - (ii) The amount of permissible capital payment for proposed buyback of the employee stock options as included in the Statement has been properly determined in accordance with the provisions of Section 68(2)(c) of the Act;
 - (iii) The audited accounts on the basis of which calculation with reference to buy back is done is not more than six months old from the date of offer document; and

(iv) the Board of Directors have formed the opinion as specified in Rule 17(m) of the Companies (Share Capital and Debentures Rules), 2014 on reasonable grounds and that the Company, having regard to its state of affairs, shall not be rendered insolvent within a period of one year from that date.

Restriction on Use

12. The Report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of Section 68 and Section 70 of the Act read with Rule 17(n) of Companies (Share Capital and Debentures) Rules, 2014 and solely to enable them to include it (a) in the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders, (b) in the announcement to be made to the Shareholders of the Company, (c) in the draft letter of offer and letter of offer to be filed with the Registrar of Companies, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Sanjay Bachhani

Partner

Membership Number: 400419

UDIN

Place of Signature: Gurugram

Date: