

**Valuation Report on Proposed Merger of**  
**Polimeraas Agros Private Limited**  
**(Post conversion from Polimeraas Agros LLP )**  
**with**  
**GSS Infotech Limited**

DATE OF VALUATION REPORT: 24/12/2021



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## Registered Valuer

Securities or Financial Assets

Regn No. IBBI/ RV/05/2019/10746

*Private & Confidential*

24/12/2021

To,  
The Board of Directors  
GSS Infotech Limited  
Grd Floor, Wing-B, N heights  
Plot No. 12, TSIIIC Software Units Layout  
Madhapur, Serilingampally, Rangareddi  
Hyderabad - 500081

### **Sub: Valuation Report on Proposed Merger of Polimeraas Agros Private Limited (Post conversion from Polimeraas Agros LLP) with GSS Infotech Limited**

GSS Infotech Limited (here in after referred as “**Transferee Company**” or “**GSS**”) is incorporated on October 13, 2003, having registered office at Ground Floor, Wing-B, N heights, Plot No. 12, TSIIIC Software Units Layout, Madhapur, Serilingampally, Rangareddi, Hyderabad – 500081.

Polimeraas Agros LLP was incorporated on October 28, 2021 pursuant to section 12(1) of the Limited Liability Partnership Act, 2008. The Registered Office of the Company is situated at H.No 3\_6\_661 and 662 Street No.9, Himayatnagar, Hyderabad – 500029. The LLP is proposed to be converted into a Private Limited Company - **Polimeraas Agros Private Limited** (here in after referred as “**Transferor Company**”).

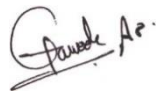
It has been proposed to merge the Transferor Company with GSS (“**Proposed Merger**”).

GSS Infotech Limited has requested Registered Valuer, Anandkumar Gawade to carry out the valuation analysis of Polimeraas Agros LLP as at November 30, 2021 and GSS Infotech Limited as at December 24, 2021, as per the guidelines under sections 230-232 & other applicable provisions of the Companies Act 2013, along with SEBI Master Circular dated December 22, 2020.

The computation of fair market value of GSS Infotech Limited is attached herewith as Exhibit 1 and the computation of fair market value of Polimeraas Agros LLP (proposed to be converted into Polimeraas Agros Private Limited) is attached herewith as Exhibit 2.

A detailed summary of valuation is given in the report.

Yours Faithfully,



Mr. Anandkumar Gawade,  
Registered Valuer

Reg. No. IBBI/RV/05/2019/10746

UDIN: **22110752AAAAAA5757**



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#### Scope and purpose of this report and appointing authority:

I have been engaged by GSS for the purpose of determining the valuation of Polimeraas Agros LLP (proposed to be converted into Polimeraas Agros Private Limited) as at November 30, 2021 and GSS Infotech Limited as at December 24, 2021 as per the guidelines under sections 230-232 & other applicable provisions of the Companies Act 2013, along with SEBI Master Circular dated December 22, 2020.

It has been proposed to merge the Transferor Company with GSS ("**Proposed Merger**").

Given the above requirement, the Company has requested me to compute and conclude the fair value of equity shares of the Transferee Company and the fair market value of Polimeraas Agros LLP (proposed to be converted into Polimeraas Agros Private Limited).

#### Valuation Date, Date of Appointment and Date of report:

For the purpose of this assignment of valuation, following shall be the key dates:

**Appointment Date:** I have been appointed by the management vide letter dated December 24, 2021

**Valuation Date:** The Relevant date for valuation of GSS Infotech Limited, which is a listed company, should be considered as December 24, 2021 and the value of Polimeraas Agros LLP (proposed to be converted into Polimeraas Agros Private Limited) should be considered to the value as on November 30, 2021.

**Report Date:** My valuation report has been submitted as of December 24, 2021.

#### Identity of the Valuer and other experts involved in the valuation:

Valuation is carried out by me, i.e. Anandkumar Gawade, Registered Valuer under Class Securities or Financial Assets vide Registration No. IBBI/RV/05/2019/10746. I am also Practicing Chartered Accountants since 2002 vide MRN 110752. There were no other experts involved in the carrying out process of valuation of Equity Shares. I am allowed to carry out the same valuation as per rules.

#### Declaration of Independence of Valuer and Financial Interest:

I hereby declare that I am independent of the subject firms for valuation and has not been under any direct or indirect influence, which may affect the valuation exercise. I also state that have no financial interest in the Subject Company for valuation.

#### Sources of Information:

The following information has been received from the Management of the Company:

1. MOA AOA PAN
2. Profile of the company
3. Management team profile
4. Management certified financial Projections of Polimeraas Limited
5. Management certified Provisional financials of Polimeraas Limited as on date of valuation
6. Audited financials of Polimeraas Agros LLP as on date of valuation
7. Audited Financials of Polimeraas Limited for the period ended on March 31, 2020



#### Inspections and/or Investigations undertaken:

- I have verified the industry in which the company is operating and the performance of the industry. Projected Financial Statements of Company for the period from FY 2022 to 2026.
- Provisional Financials.
- Business Profile of the Company.
- MOA, AOA of the Company and other ROC Documents.
- Oral information for various clarifications.
- Stock exchange trading information. I have also obtained necessary explanations and information, which I believed were relevant to the present exercise, from the executives and representatives of the Company.
- I have applied all the appropriate techniques for coming out at assumptions of Unsystematic risk, perpetual rate of growth which are taken in DCF Calculation.

#### Background Information about the Companies

GSS Infotech Limited is incorporated on October 13, 2003, having registered office at Grd Floor, Wing-B, N heights, Plot No. 12, TSIC Software Units Layout, Madhapur, Serilingampally, Rangareddi, Hyderabad – 500081.

GSS is an Information technology company providing services related to cloud computing, remote infrastructure management, virtualization, application management, and other services.

GSS Infotech is a pioneer in applying innovative, technology-based solutions to common business problems. The Company helps organizations leverage the power of Virtualization, “The Cloud” and outsourced models of technology services delivery. Utilizing these technologies, it helps organizations gain competitive advantage, reduce costs, ensure system stability, and improve efficiency. Specializing in Remote Infrastructure Management Services, Virtualization solutions and Application Management Services, GSS is a partner of choice for Infrastructure optimization solutions worldwide. With a global headquarters at Hyderabad in India, GSS Infotech has quickly grown through organic growth and strategic acquisitions and has multiple Business and Development centers across the globe.

The shareholding pattern of GSS as on September 30, 2021 (as per BSE) is as follows:

Sl. No.	Category	No. of Shares	% Holding
1.	Promoter & Promoter Group	33,25,328	19.63%
2.	Public	1,32,61,515	78.3%
3.	Others	3,50,000	2.07%
<b>Total</b>		<b>1,69,36,843</b>	<b>100.0%</b>

(source: Company)

## Polimeraas Agros LLP

Polimeraas Agros LLP was incorporated on October 28, 2021 pursuant to section 12(1) of the Limited Liability Partnership Act, 2008. The Registered Office of the Company is situated at H.No. 3\_6\_661 and 662 Street No.9, Himayatnagar, Hyderabad – 500029. The LLP is proposed to be converted into a Private Limited Company- Polimeraas Agros Private Limited (here in after referred as “**Transferor Company**”).

As per the Draft scheme of arrangement, the following shall be the shareholding of Polimeraas Agros Private Limited at the time of conversion and shall remain unchanged till the Scheme of Merger is approved by the Hon’ble National Company Law Tribunal

S.No	Promoters / Shareholders	Shareholding Ratio	No. of Shares	Amount (Rs)
1.	Sri. Hari Krishna Reddy Kallam	10.50 %	10,50,000	1,05,00,000
2.	Sri. Srinivasa Rao Mandava	14.00 %	14,00,000	1,40,00,000
3.	AMN Ventures LLP	17.50 %	17,50,000	1,75,00,000
4.	Pluto Mines and Minerals LLP	30.00 %	30,00,000	3,00,00,000
5.	Skanda Agro-Tech LLP	28.00%	28,00,000	2,80,00,000
	<b>Total</b>	<b>100.00</b>	<b>1,00,00,000</b>	<b>10,00,00,000</b>

The Transferor Company has investment in its operating Company - **Polimeraas Limited**

Polimeraas Agros LLP is the holding entity of Polimeraas Ltd (Hereinafter referred to as ‘Polimeraas’) holding 100% shares of Polimeraas Limited, which is unlisted public company with Authorised Capital of Rs. 11,00,00,000 and Paid Up Capital of Rs.10,00,00,000. Polimeraas has its presence in the states of Telangana & Karnataka with more than 75 location stations providing everyday essentials and home consumables. Turnover of the Polimeraas for financial year 2019-20 was Rs 27.03 Crores and turnover for financial year 2020-21 was Rs. 251 crores. The main objects of the Company as per its MOA are as follows:

*To carry on the business of trading in vegetables, fruits and general home consumables; and sell vegetables, fruits, fruit juices, salads, smoothies, sandwiches and general home consumables from stores taken on rent/lease and any other business.*

#### Premise of Value/Assumed Use:

Current use/existing use is the current way an asset, liability, or group of assets and/or liabilities is used. The current use may be, but is not necessarily, also the highest and best use.

#### Bases of Valuation:

Market Value: Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

#### Economic Analysis:

The world is facing an unprecedented crisis with the highly contagious COVID-19 hitting major economies across the world in rapid succession. As on August 03, 2020, COVID-19 has had 1,856,754 people infected in India, claiming 38,993 lives.

India imposed a strict lockdown from March 25, 2020 to control the effect of COVID-19 pandemic. Economy was under complete standstill in April and resumed partially with restrictions on various activities in May as the Government made a courageous choice of supporting livelihoods. In June 2020, country entered the unlocking phase and witnessed green shoots in the economy.

Payments on Unified Payments Interface (UPI) hit an all-time high of 1.34 billion in terms of volume with transactions worth nearly Rs 2.62 lakh crore (US\$ 37.17 billion) in June 2020.

As on July 17, 2020, total kharif crops were sown on 691.86 lakh hectares against 570.86 lakh hectares during the corresponding period last year, an increase of 21.20 per cent in area coverage compared to last year in the country.

Government of India introduced Pradhan Mantri Garib Kalyan Yojana to provide immediate cash support to the needy. More than 42 crore poor people have so far received financial assistance of Rs 65,454 crore (US\$ 9.29 billion) under the scheme. The estimated cost of distribution of food grains (rice and wheat) and pulses under Pradhan Mantri Garib Kalyan Anna Yojana, extended till the end of November 2020, is Rs 1,48,938 crore (US\$ 21.13 billion). Since July 01, 2020, a total of 19.32 LMT food grains have been lifted by various States and Union Territories (UTs) under Pradhan Mantri Garib Kalyan Anna Yojana 2.

In May 2020, Government, adding to its past measures and that of RBI (Reserve Bank of India), announced a consolidated stimulus package of Rs 20 lakh crore (US\$ 283.73 billion). The stimulus package was pivoted on "Atma Nirbhar Bharat", where Micro, Small and Medium Enterprises (MSMEs) received a huge financial package in terms of collateral free debt, guarantee for subordinate debt through Funds-of-Funds, and interest subvention scheme. Besides, the definition of MSME was changed to remove hindrance against their investment and expansion. Other components of the package included three landmark ordinances related to Essential Commodities Act, Farmers' Empowerment and Protection, and Promotion and Facilitation of Agricultural Produce to encourage people to invest in creating infrastructure and storage for agricultural produce, enable barrier-free trade in agriculture, and empower farmers to engage with various stakeholders.

Government also introduced Pradhan Mantri Garib Kalyan Rojgar Abhiyaan, a rural infrastructure and employment generation scheme, for the benefit of returnee migrants.

These green shoots have a conducive policy environment to grow further and nudge the economy early on the path of economic recovery and growth.

India's real GDP growth rate was 4.2 per cent in 2019-20 as per the provisional estimates released by National Statistical Office (NSO) compared to 6.1 per cent recorded in the previous year. Nominal GDP for the year was estimated at Rs 203.4 lakh crore (US\$ 2.88 trillion), lower compared to the budget estimates.

The growth of real Gross Value Added (GVA) at basic price was 3.9 per cent in 2019-20 (provisional estimates) compared to 6.0 per cent in 2018-19 (revised estimates). The share of total final consumption (private and public consumption) in GDP at current prices was estimated at 72.0 per cent in 2019-20 compared to 70.4 per cent in 2018-19. India registered a trade surplus for the first time in almost 18 years. Merchandise export in June 2020 stood at US\$ 21.91 billion.

Fixed investment rate (ratio of gross fixed capital formation to GDP) was estimated at 27.5 per cent in 2019-20 compared to 29.0 per cent in 2018-19. The growth in real fixed investment was estimated to decline 0.6 per cent in 2019-20 compared to 9.8 per cent in 2018-19. As on July 03, 2020, growth of M3 (Broad Money) increased to 12.4 per cent (y-o-y) compared to 10.4 per cent a year ago. India's Index of Industrial Production (IIP) for May 2020 stood at 88.4 compared to 53.6 for April 2020, indicating a graded pickup in industrial activity in the economy.

*Reference: <https://www.ibef.org/economy/indian-economy-overview>*

### Valuation Approaches:

There are three main valuation approaches. They are all based on the economic principles of price equilibrium, anticipation of benefits or substitution. The goal in selecting valuation approaches and methods for an asset is to find the most appropriate method under the particular circumstances. No one method is suitable in every possible situation. The main valuation approaches are:

Valuation is not an exact science and is dependent on various factors such as specific nature of business, economic life cycle in which the industry and company is operating, past financial performance of the business, future growth potential of the business, business model, management of the company, relevance of technology in the business model, liquidity of equity and much more. The results of the valuation exercise may vary significantly depending on the basis used, the specific circumstances and the judgement of the valuer. In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue.

A merger is the combination of two or more companies into one by either closing the old entities into one new entity or by one company absorbing the other. In other words, two or more companies are consolidated into one company. The combination of the two companies involves a transfer of ownership, either through a stock swap or a cash payment between the two companies. In practice, both companies surrender their stock and issue new stock as a new company. There are several types of mergers. For example, horizontal mergers may happen between two companies in the same industry, such as banks or steel companies. Vertical mergers occur between two companies in the same industry value chain, such as a supplier or distributor or manufacturer. Mergers between two companies in related, but not the same industry are called concentric mergers. These mergers can use the same technologies or skilled workforce to work in both industry segments, such as banking and leasing. Finally, conglomerate mergers occur between two diversified companies that may share management to improve economies of scale for both companies.

In mergers and acquisitions (M&A), the swap ratio measures the number of shares the acquiring company has to issue for each individual share of the target firm. For M&A deals that includes shares as part of the consideration (compensation) for the deal, the share exchange ratio is an important metric. Deals can be all cash, all shares, or a mix of the two.

The choice of valuation approach depends on the purpose of valuation and various other business specific and industry specific factors. In some cases, a single valuation technique will be appropriate, whereas in others multiple valuation techniques will be appropriate.





## **Key Factors Affecting Valuation**

To carry out a valuation, I consider certain fundamental factors that affect the wealth generating capability of the company. These include:

- General economic outlook as well as current & expected conditions in the business environment;
- Competitive environment prevailing within the industry;
- Relative competitive advantages of the business in terms of the service capability, management capabilities, etc.;
- Historical financial and operational performance.

## **Valuation Approaches & Methodologies**

The following are commonly used and accepted methods for determining the value of a company:

1. Asset Approach – Net Asset Value method;
2. “Market” approach and
3. “Income” approach

Within these three basic approaches, several methods may be used to estimate the value. An overview of these approaches is as follows:

### **1. Asset Approach- Net Asset Value Method (‘NAV’)**

The asset-based value analysis technique is based on the value of the underlying net assets of the business, either on a book value basis, realizable value basis or replacement cost basis. This value analysis approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominate earnings capability. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

### **2. Market Approach:-**

The market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available. The market approach often uses market multiples derived from a set of comparable assets, each with different multiples. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors.

#### **i. Guideline Publicly Traded Comparable or Comparable Companies Multiple (“CCM”) Method :-**

The guideline publicly traded method utilizes information on publicly traded comparable companies that are similar to the subject asset to arrive at an indication of value. The method should be used only when the subject asset is sufficiently similar to the publicly traded comparable companies to allow for a meaningful comparison.

#### **ii. Comparable Transactions Multiples (“CTM”) Method :-**

The comparable transactions method, also known as the guideline transactions method, utilizes information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value.

### iii. Market Price Method :-

Under this method, the market price of an equity shares of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.

### 3. Income Approach

The income approach provides an indication of value by converting future cash flows to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset. A fundamental basis for the income approach is that investors expect to receive a return on their investments and that such a return should reflect the perceived level of risk in the investment.

Commonly used method under this approach is the Discounted Cash Flow Method.

#### Discounted Cash Flow Method

Under the DCF method the forecast cash flows are discounted back to the valuation date, resulting in a present value of the asset. When selecting the appropriate type of cash flow for the nature of asset or assignment. In addition, the discount rate and other inputs must be consistent with the type of cash flow chosen.

The intended holding period for one investor should not be the only consideration in selecting an explicit forecast period and should not impact the value of an asset. However, the period over which an asset is intended to be held may be considered in determining the explicit forecast period if the objective of the valuation is to determine its investment value. Where the asset is expected to continue beyond the explicit forecast period, valuers must estimate the value of the asset at the end of that period. The terminal value is then discounted back to the valuation date, normally using the same discount rate as applied to the forecast cash flow. The market approach/exit value method can be performed in a number of ways, but the ultimate goal is to calculate the value of the asset at the end of the explicit cash flow forecast. Common ways to calculate the terminal value under this method include application of a market-evidence based capitalization factor or a market multiple. The rate at which the forecast cash flow is discounted should reflect not only the time value of money, but also the risks associated with the type of cash flow and the future operations of the asset.

#### Selection of appropriate Valuation Approach:

For GSS:

GSS Infotech Limited is a listed company with shares quoted both on the BSE and NSE. The highest trading volume in respect of the equity shares of GSS has been recorded in NSE during the preceding twenty six weeks prior to the relevant date i.e., December 24, 2021.

As per SEBI ICDR Regulations, "frequently traded shares" means shares of an issuer, in which the traded turnover on any stock exchange during the twelve calendar months preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer.

As per trade data of GSS Infotech Limited extracted for NSE from December 24, 2020 to December 23, 2021 (Source: <https://www.nseindia.com/>), the traded turnover is more than ten per cent of the total number of shares. Thus, GSS Infotech Limited is frequently traded as per SEBI ICDR Regulations.

Accordingly, I have valued the Equity shares of GSS based on the below mentioned parameters:

*the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of:*

*(a) the average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the 26 (twenty six) weeks preceding the relevant date;*

or

*(b) the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the 2 (two) weeks preceding the relevant date.*

The detailed calculation has been attached as Exhibit 1.

#### For Polimeraas Agro LLP

The LLP is newly incorporated and I have used the NAV Methodology for the valuation of the same. The income approach is not used since there is no revenue from operations and the Market approach is not used since it is a limited liability partnership firm. The Company has investment in Equity shares of Polimeraas Limited and the fair value of the same has been computed as per Income approach-Discounted Cash Flow Method on the basis of financial projections provided by the Company. The Market approach is not used since it is not a listed entity and NAV method is not used since considering the fact that asset values reflected in books of accounts are generally not a true indicator of the future distributable cash/profit generating ability of the business which is widely regarded as the true determinant of value of assets for most of the industries. The asset values recorded in books of accounts are also impacted by accounting policies which may be discretionary at times. Further, this valuation approach (NAV) is used in cases where the firm is to be liquidated i.e., it does not meet the "going concern" criterion or is used in case where the asset base dominates earnings capacity.

The detailed calculation has been attached as Exhibit 2.

Exhibit-1: Valuation Computation of GSS Infotech Limited with Relevant Date as December 24, 2021  
Amount in INR

SI No.	Parameters	Value
i	The average of weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date or	85.06
ii	the average of weekly high and low of the volume weighted average prices of the related equity shares quoted on the recognized stock exchange during the two weeks preceding the relevant date.	127.89
	<b>Higher of the above</b>	<b>127.89</b>

Thus, the value of each Equity shares of GSS Infotech Limited with Relevant Date as December 24, 2021 is INR 127.89.

**Note 1:** Calculation of Average of weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date (Source: <https://www.nseindia.com/>)

Weeks	Date	Day	Closing Price	Maximum	Minimum	Average
1	23-12-2021	Thursday		125.94	114.70	120.32
	22-12-2021	Wednesday	125.94			
	21-12-2021	Tuesday	117.51			
	20-12-2021	Monday	114.70			
	19-12-2021	Sunday				
	18-12-2021	Saturday				
	17-12-2021	Friday	121.01			
2	16-12-2021	Thursday	126.84	144.09	126.84	135.47
	15-12-2021	Wednesday	135.25			
	14-12-2021	Tuesday	131.19			
	13-12-2021	Monday	133.95			
	12-12-2021	Sunday				
	11-12-2021	Saturday				
	10-12-2021	Friday	144.09			
3	09-12-2021	Thursday	143.82	143.82	122.00	132.91
	08-12-2021	Wednesday	141.20			
	07-12-2021	Tuesday	134.50			
	06-12-2021	Monday	128.10			
	05-12-2021	Sunday				
	04-12-2021	Saturday				
	03-12-2021	Friday	122.00			



<b>4</b>	02-12-2021	Thursday	116.20	116.20	103.26	109.73
	01-12-2021	Wednesday	109.16			
	30-11-2021	Tuesday	103.26			
	29-11-2021	Monday	109.41			
	28-11-2021	Sunday				
	27-11-2021	Saturday				
	26-11-2021	Friday	107.12			
<b>5</b>	25-11-2021	Thursday	108.06	108.06	80.34	94.20
	24-11-2021	Wednesday	102.64			
	23-11-2021	Tuesday	92.49			
	22-11-2021	Monday	80.34			
	21-11-2021	Sunday				
	20-11-2021	Saturday				
	19-11-2021	Friday				
<b>6</b>	18-11-2021	Thursday	82.86	83.10	80.21	81.66
	17-11-2021	Wednesday	82.34			
	16-11-2021	Tuesday	83.10			
	15-11-2021	Monday	80.21			
	14-11-2021	Sunday				
	13-11-2021	Saturday				
	12-11-2021	Friday	82.09			
<b>7</b>	11-11-2021	Thursday	83.30	88.06	83.30	85.68
	10-11-2021	Wednesday	84.37			
	09-11-2021	Tuesday	87.23			
	08-11-2021	Monday	88.06			
	07-11-2021	Sunday				
	06-11-2021	Saturday				
	05-11-2021	Friday				
<b>8</b>	04-11-2021	Thursday	92.04	92.04	81.38	86.71
	03-11-2021	Wednesday	89.28			
	02-11-2021	Tuesday	85.12			
	01-11-2021	Monday	82.62			
	31-10-2021	Sunday				
	30-10-2021	Saturday				
	29-10-2021	Friday	81.38			
<b>9</b>	28-10-2021	Thursday	81.44	85.75	81.44	83.60
	27-10-2021	Wednesday	82.25			
	26-10-2021	Tuesday	82.51			
	25-10-2021	Monday	83.04			
	24-10-2021	Sunday				



	23-10-2021	Saturday				
	22-10-2021	Friday	85.75			
<b>10</b>	21-10-2021	Thursday	79.25	83.79	79.25	81.52
	20-10-2021	Wednesday	80.12			
	19-10-2021	Tuesday	82.02			
	18-10-2021	Monday	83.79			
	17-10-2021	Sunday				
	16-10-2021	Saturday				
	15-10-2021	Friday				
<b>11</b>	14-10-2021	Thursday	84.26	89.30	84.26	86.78
	13-10-2021	Wednesday	87.01			
	12-10-2021	Tuesday	89.30			
	11-10-2021	Monday	86.53			
	10-10-2021	Sunday				
	09-10-2021	Saturday				
	08-10-2021	Friday	85.32			
<b>12</b>	07-10-2021	Thursday	83.30	83.30	76.51	79.91
	06-10-2021	Wednesday	79.37			
	05-10-2021	Tuesday	77.58			
	04-10-2021	Monday	76.51			
	03-10-2021	Sunday				
	02-10-2021	Saturday				
	01-10-2021	Friday	77.17			
<b>13</b>	30-09-2021	Thursday	78.26	81.24	74.17	77.71
	29-09-2021	Wednesday	79.52			
	28-09-2021	Tuesday	74.17			
	27-09-2021	Monday	81.24			
	26-09-2021	Sunday				
	25-09-2021	Saturday				
	24-09-2021	Friday	80.40			
<b>14</b>	23-09-2021	Thursday	82.77	84.69	82.77	83.73
	22-09-2021	Wednesday	84.35			
	21-09-2021	Tuesday	84.69			
	20-09-2021	Monday	84.50			
	19-09-2021	Sunday				
	18-09-2021	Saturday				
	17-09-2021	Friday	83.55			
<b>15</b>	16-09-2021	Thursday	85.10	87.77	85.10	86.44
	15-09-2021	Wednesday	87.77			
	14-09-2021	Tuesday	85.91			



	13-09-2021	Monday	86.26			
	12-09-2021	Sunday				
	11-09-2021	Saturday				
	10-09-2021	Friday				
<b>16</b>	09-09-2021	Thursday	82.48	82.48	75.95	79.22
	08-09-2021	Wednesday	79.17			
	07-09-2021	Tuesday	77.55			
	06-09-2021	Monday	78.28			
	05-09-2021	Sunday				
	04-09-2021	Saturday				
	03-09-2021	Friday	75.95			
<b>17</b>	02-09-2021	Thursday	73.04	73.25	70.90	72.08
	01-09-2021	Wednesday	72.95			
	31-08-2021	Tuesday	72.31			
	30-08-2021	Monday	73.25			
	29-08-2021	Sunday				
	28-08-2021	Saturday				
	27-08-2021	Friday	70.90			
<b>18</b>	26-08-2021	Thursday	64.66	64.66	60.51	62.59
	25-08-2021	Wednesday	63.63			
	24-08-2021	Tuesday	62.83			
	23-08-2021	Monday	60.51			
	22-08-2021	Sunday				
	21-08-2021	Saturday				
	20-08-2021	Friday	62.01			
<b>19</b>	19-08-2021	Thursday		68.47	65.17	66.82
	18-08-2021	Wednesday	65.17			
	17-08-2021	Tuesday	66.56			
	16-08-2021	Monday	67.09			
	15-08-2021	Sunday				
	14-08-2021	Saturday				
	13-08-2021	Friday	68.47			
<b>20</b>	12-08-2021	Thursday	66.58	71.70	65.47	68.59
	11-08-2021	Wednesday	65.47			
	10-08-2021	Tuesday	69.43			
	09-08-2021	Monday	70.03			
	08-08-2021	Sunday				
	07-08-2021	Saturday				
	06-08-2021	Friday	71.70			
<b>21</b>	05-08-2021	Thursday	71.23	74.91	68.79	71.85



	04-08-2021	Wednesday	71.51			
	03-08-2021	Tuesday	68.79			
	02-08-2021	Monday	73.63			
	01-08-2021	Sunday				
	31-07-2021	Saturday				
	30-07-2021	Friday	74.91			
<b>22</b>	29-07-2021	Thursday	76.06	80.40	75.55	77.98
	28-07-2021	Wednesday	75.55			
	27-07-2021	Tuesday	79.15			
	26-07-2021	Monday	80.40			
	25-07-2021	Sunday				
	24-07-2021	Saturday				
	23-07-2021	Friday	79.54			
<b>23</b>	22-07-2021	Thursday	82.82	82.82	77.03	79.93
	21-07-2021	Wednesday				
	20-07-2021	Tuesday	77.90			
	19-07-2021	Monday	79.53			
	18-07-2021	Sunday				
	17-07-2021	Saturday				
	16-07-2021	Friday	77.03			
<b>24</b>	15-07-2021	Thursday	75.01	75.01	66.35	70.68
	14-07-2021	Wednesday	70.78			
	13-07-2021	Tuesday	68.80			
	12-07-2021	Monday	66.41			
	11-07-2021	Sunday				
	10-07-2021	Saturday				
	09-07-2021	Friday	66.35			
<b>25</b>	08-07-2021	Thursday	67.14	68.69	67.14	67.92
	07-07-2021	Wednesday	67.66			
	06-07-2021	Tuesday	68.03			
	05-07-2021	Monday	68.00			
	04-07-2021	Sunday				
	03-07-2021	Saturday				
	02-07-2021	Friday	68.69			
<b>26</b>	01-07-2021	Thursday	69.18	69.18	66.10	67.64
	30-06-2021	Wednesday	67.04			
	29-06-2021	Tuesday	66.10			
	28-06-2021	Monday	67.07			
	27-06-2021	Sunday				
	26-06-2021	Saturday				





25-06-2021	Friday	66.65		
<b>Total of 26 Weeks</b>				<b>2,211.61</b>
<b>No. of Weeks Traded</b>				<b>26.00</b>
<b>Average of 26 Weeks</b>				<b>85.06</b>

**Note 2:** Calculation of Average of weekly high and low of the volume weighted average prices of the related equity shares quoted on the recognized stock exchange during the two weeks preceding the relevant date. (Source: <https://www.nseindia.com/>)

Weeks	Date	Day	Closing Price	Maximum	Minimum	Average
<b>1</b>	23-12-2021	Thursday		125.94	114.70	120.32
	22-12-2021	Wednesday	125.94			
	21-12-2021	Tuesday	117.51			
	20-12-2021	Monday	114.70			
	19-12-2021	Sunday				
	18-12-2021	Saturday				
	17-12-2021	Friday	121.01			
<b>2</b>	16-12-2021	Thursday	126.84	144.09	126.84	135.47
	15-12-2021	Wednesday	135.25			
	14-12-2021	Tuesday	131.19			
	13-12-2021	Monday	133.95			
	12-12-2021	Sunday				
	11-12-2021	Saturday				
	10-12-2021	Friday	144.09			
<b>Total of 2 Weeks</b>						<b>255.79</b>
<b>No. of Weeks Traded</b>						<b>2.00</b>
<b>Average of 2 Weeks</b>						<b>127.89</b>

Exhibit-2: Computation of fair value of POLIMERAAS AGROS LLP (proposed to be converted to Polimeraas Agros Private Limited)

Valuation of POLIMERAAS AGROS LLP as on 30-11-2021		
	Particulars	Amount in INR
	Book value of Total Assets	10,53,67,232
Less:	Unamortised Expenses	7,500
		<b>10,53,59,732</b>
Less:	Current Liabilities	21,232
		<b>10,53,38,500</b>
Less:	Book value of Investment in Polimeraas Limited	10,00,00,000
		<b>53,38,500</b>
Add:	Fair Value of Investment (Note Below)	2,50,00,00,000
	<b>Fair Market value of LLP</b>	<b>2,50,53,38,500</b>
	Proposed No. of shares of Transferor Company	1,00,00,000
	<b>Proposed Value per share</b>	<b>250.53</b>

Note: The LLP has investments in Equity shares of Polimeraas Limited The fair value of investment is calculated as follows:

Description	No. of shares	Value per Share	Fair Value as on 30-11-21
Polimeraas Limited	1,00,00,000	250.00	2,50,00,00,000

The computation of value per share of Polimeraas Limited has been done on the basis of DCF Methodology.

#### Brief Background of Company

Company Name	Polimeraas Limited
CIN	U51909TG2020PLC138380
Date of Incorporation	10-01-2020
Registered Address	H.No.4-1149/3, Marthanda Nagar New Hafeezpet, Serlingampally, Rangareddi, Hyderabad – 500084
Listing status	Unlisted
Directors	Kethu Ramasubbareddy Ganesh Reddy Polimera Mallikarjun Ivaturi

(Source: [www.mca.gov.in](http://www.mca.gov.in))



Polimeraas Limited is incorporated under Companies Act, 2013 on January 10, 2020 having its registered office at H.No.4-1149/3, Marthanda Nagar New Hafeezpet, Serlingampally, Rangareddi, Hyderabad – 500084.

Started as a Partnership Firm in 2017, “Polimeraas” is a specialized Fruits and Vegetables retailer – operating 75 stores across Hyderabad and Bangalore, offering 150+ varieties of fruits and vegetables in store, the highest among its peers. It operates on a “FOCO” model, with franchise partners investing in store fitout, while rentals & inventory are managed by the Company –the franchise partners also act as store managers & receive a share of revenue. The Company procures fresh produce from a wide range of sources –fruit importers, village level mandis, and also directly from farmers / local aggregators, depending on volume requirement and availability. The management comes with a background in agriculture (farming and trading), and have a keen understanding of pricing, availability and quality of fresh produce in various states in different seasons. Polimeraas has achieved tremendous brand recall, through word-of-mouth, earning a reputation for high quality and value for money.

### Business Valuation as per Discounted Cash Flow Methodology

Amount in INR Mn

FY	2022 (4M)	2023	2024	2025	2026	TERMINAL
<b>PARTICULARS</b>						
<b>PAT</b>	<b>-81.13</b>	<b>23.65</b>	<b>238.04</b>	<b>541.84</b>	<b>790.23</b>	
Add : Depreciation	3.96	8.18	10.48	14.08	15.78	
Less :Capital Expenditure	29.00	21.00	23.00	36.00	17.00	
Add : Interest (Post Tax)	0.26	0.49	0.33	0.16	0.05	
Less: NWC	-	-	-	-	-	
<b>Free Cash Flows</b>	<b>-105.92</b>	<b>11.32</b>	<b>225.86</b>	<b>520.09</b>	<b>789.07</b>	<b>4,471.61</b>
Discounting Factor	0.93	0.76	0.62	0.51	0.42	0.42
<b>Present value of Cash flow</b>	<b>(99.02)</b>	<b>8.65</b>	<b>140.99</b>	<b>265.28</b>	<b>328.88</b>	<b>1,863.72</b>
Cumulative present value of Cash Flows	2,508.49					
<b>Enterprise Value</b>	<b>2,508.49</b>					
Add: Cash & Cash Equivalent as on 30-11-2021	3.32					
Less: Debt as on 30-11-2021	12.47					
<b>Equity Value</b>	<b>2,499.33</b>					
No. of Equity Shares	1,00,00,000					
<b>Value Per Share (INR)</b>	<b>250.00</b>					

#### Notes: -

- For the purpose of valuation of equity in this transaction through DCF methodology, I have relied upon the projections provided by the management for the financial years starting from FY 2021-22 (4 Months) and ending FY 2025-26 duly supplemented by its Terminal Value based on the Gordon Model. and extrapolating the adjusted free cash flows for last year at an annual growth rate of 4% to perpetuity.
- The discount rate applied to calculate current values on November 30, 2021 has been determined based on Cost of Equity (Ke).

3. The attached table summarizes the main assumptions used to calculate cost of equity of POLIMERAAS.

COE assumptions	Values	Source
Risk free rate, Rf	6.68%	Risk Free Rate based on 10-year Zero Coupon Yield Curve*
Market rate of return	11.99%	Based on market return (BSE SENSEX)
Market risk premium	5.31%	Rm - Rf
Beta	1	Assumed
Base cost of equity	11.99%	As per CAPM Model Computation
Additional risk premium	10.50%	To account for higher risk as the company is in high growth phase.
Adjusted Cost of equity, Ke	22.49%	

\*Source: <https://www.ccilindia.com/RiskManagement/SecuritiesSegment/Pages/ZCYC.aspx>

4. Cost of Debt is the rate of interest for existing debts outstanding. As per Management inputs about the interest rate, the WACC has been computed as 22.38%.



### Summary of Valuation: -

The computation of fair market values is summarized as under:

<b>Polimeraas Agros Private Limited</b>	<b>Amount in INR</b>
Value per share	250.53

<b>GSS Infotech Limited</b>	<b>Amount in INR</b>
Value per share	127.89

As per the draft Scheme of Merger provided to us, we understand that Transferor Company will merge with GSS and the consideration for the same will be discharged as enumerated below:

- **Issuance of Equity shares of GSS against shares of Polimeraas Agros Private Limited**

92,20,000 fully paid up equity shares (Face Value of INR 10 each) will be issued to the Shareholders of Transferor Company.

<b>Particulars</b>	<b>GSS Infotech Limited</b>	<b>Polimeraas Agros Private Limited</b>
Value per share (INR)	127.89	250.53
Exchange Ratio	1.95895	1
No. of Equity shares	92,20,000	47,06,603

- **Issuance of Compulsorily Redeemable Preference Shares (CRPS) against shares of Polimeraas Agros Private Limited**

For 47,06,603 shares of Polimeraas Agros Private Limited, 92,20,000 Equity shares of GSS will be issued, as mentioned above.

For the balance consideration of Rs. 1,32,61,92,700 (which includes the fraction difference of Rs. 550 against the above issuance of equity shares), GSS will issue 1,32,61,927 CRPS (Face value of Rs.10 each at a premium Rs. 90).



## Limitations, Caveats, and Disclaimers:

### i. Restriction on use of Valuation Report

This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our client is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use and the Regulations. We do not take any responsibility for the unauthorized use of this report.

### ii. Responsibility of valuer

We owe a responsibility only to the authority/client that has appointed me/us under the terms of the engagement letters. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions, or advice given by any other person. In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or wilful default on part of the client or companies, their directors, employees, or agents.

### iii. Accuracy of Information

While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit following generally accepted auditing standards of the client's existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

### iv. Achievability of the forecast results

We do not assure the achievability of the results forecast by the management/owners as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans, and assumptions of management.

### v. Post Valuation Date Events (This should be disclosed while defining valuation date)

The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.

### vi. Range of Value Estimate

The valuation of companies and assets is made based on the available facts and circumstances and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. Although every scientific method has been employed in systematically arriving at the value, there is, therefore, no indisputable single value and the estimate of the value is normally expressed as falling within a likely range. To comply with the client's request, We have provided a single value for the overall Fair Value Whilst, we consider the valuation to be both reasonable and defensible based on the information available, others may place a different value.



vii. No Responsibility to the Actual Price of the subject asset, if sold or transferred/, exchanged

The actual market price achieved may be higher or lower than our estimate of value (or value range of value) depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for example the purchaser's perception of potential synergies). The knowledge, negotiating ability, and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect the actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which the actual transaction will take place.

viii. Reliance on the representations of the owners/clients, their management, and other third parties

The client/owner and its management/representatives warranted to us that the information they supplied was complete, accurate and true, and correct to the best of their knowledge. We have relied upon the representations of the owners/clients, their management, and other third parties concerning the financial data, operational data, and maintenance schedule of all plant machinery equipment tools vehicles, real estate investments, and any other investments in tangible assets except as specifically stated to the contrary in the report. We shall not be liable for any loss, damages, cost, or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the companies, their directors, employee, or agents.

ix. No procedure was performed to corroborate information taken from reliable external sources

We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions, or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions, or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

x. Compliance with relevant laws

The report assumes that the company/business/asset complies fully with relevant laws and regulations applicable in its area of operations and used unless otherwise stated and that the companies/business/assets will be managed competently and responsibly. Further, as specifically stated to the contrary, this report has not considered matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet/fixed assets register provided to us.

xi. Multiple factors affecting the Valuation Report:

The valuation report is tempered by the exercise of judicious discretion by the RV and judgment taking into account the relevant factors. There will always be several factors, e.g., management capability, present and prospective competition, the yield on comparable securities, market sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.

xii. Future services include but are not limited to testimony or attendance in courts/ tribunals/ authorities for the opinion of value in the Valuation Report.

xiii. We are fully aware that based on the opinion of value expressed in this report, we may be required to give testimony or attend court / judicial proceedings concerning the subject assets, although it is out of scope of the assignment unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such an event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings, and our tendering evidence before such authority shall be under the applicable laws.



xiv. While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit following generally accepted auditing standards of the client's existing business records. Accordingly, we assume no responsibility and make no representations concerning the accuracy or completeness of any information provided by and on behalf of you and the client. our report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

xv. The valuation of companies and businesses is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment.

xvi. The actual market price achieved may be higher or lower than our estimate depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for example the purchaser's perception of potential synergies). The knowledge, negotiating ability, and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect the actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree. we also emphasize that our opinion is not the only factor that should be considered by the parties in agreeing on the transaction price.

xvii. An analysis of such nature is necessarily based on the prevailing stock market, financial, economic, and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

xviii. The ultimate analysis will have to be tempered by the exercise of judicious discretion by the RV and judgment taking into account the relevant factors. There will always be several factors, e.g., management capability, present and prospective competition, the yield on comparable securities, market sentiment, etc. which may not be apparent from the face of the Balance Sheet but could strongly influence the value.

xix. In the course of the valuation, we were provided with both written and verbal information. We have, however, evaluated the information provided to us by the Company through broad inquiry, analysis, and review but have not carried out due diligence or audit of the information provided for this engagement. Our conclusions are based on the assumptions, forecasts, and other information given by/on behalf of the Company.

xx. We are independent of the client/company and have no current or expected interest in the Company or its assets. The fee paid for our services in no way influenced the results of our analysis.

xxi. Our report is meant for the purpose mentioned above and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

xxii. The information provided by the management is believed to be true and reliable to the best of our knowledge, we do not make any representations or warranties, express or implied, as to the accuracy or completeness of such information.





xxiii. No investigation of the company's claim to the title of the assets has been made for this valuation and their claim to such rights has been assumed to be valid. Our report is not, nor should it be construed, as we are certifying the compliance with the provisions of any law including Company and Taxation laws or as regards any legal, accounting, or taxation implications or issues.

xxiv. We have no obligation to update this report because of events or transactions occurring after the date of this report.

xxv. Valuation analyses are specific to the date of this report. A valuation of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. As such, our valuation results are, to a significant extent, subject to the continuance of current trends beyond the date of the report. We, however, have no obligation to update this report for events, trends, transactions occurring after the date of this report. This report is prepared as per Indian Laws and Rules.

xxvi. We owe no responsibility neither accept any liability to any third party about the issue of this report for any false or incorrect information given to me or anything beyond our control.

Thanking You.

End of Report

