

Manish Jaju
B.Com, F.C.A., MBF (ICAD), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

**VALUATION REPORT FOR
PROPOSED ALLOTMENT OF
EQUITY WARRANTS
CONVERTIBLE INTO EQUITY
SHARES BY ORGANIC
RECYCLING SYSTEMS
LIMITED**

Manish



Manish Jaju
B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

<u>INDEX</u>		
<u>Sr. No</u>	<u>Particulars</u>	<u>Page No</u>
1	Scope and Purpose of Valuation	3-4
2	Intended Users	5
3	Background	5
4	Capital Structure	5-6
5	Particulars of Directors	6
6	Business of the Company	6-7
7	Identity of Valuer	7
8	Date of Appointment, Valuation Date and Date of Valuation Report	8
9	Inspections and Investigations Undertaken	8
10	Valuation Standards Followed	8
11	Nature and Sources of Data / Information Used / Relied Upon	9
12	Procedures adopted in carrying out the Assignment	9-10
13	Approaches and Methods of Valuation	10-15
14	Valuation as per Regulations 166 A (1)	15 -16
15	Valuation and Conclusion	16-18
16	Restrictions on use of This Report	18
17	Significant assumptions, Caveats, Limitations and Disclaimers	18-21
18	Annexures	22-26

Manish



Manish Jaju
B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

To,
Board of Directors
Organic Recycling Systems Limited
1003, 10th Floor, The Affaires, Plot 9,
Sector No 17, Sanpada, Navi Mumbai,
Thane, Maharashtra , India – 400705

Subject: Recommendation of Valuation of Equity Warrants convertible into Equity Shares for the purpose of proposed allotment

1. Scope and Purpose of Valuation

We refer to the engagement letters dated 2nd November 2024, with the undersigned ("the Valuer" "I" or "we"), wherein Organic Recycling Systems Limited (refer to as "Company" or "Client") has requested us to recommend Floor Price (as on 8th November 2024, a trading day prior to "Relevant Date" i.e. 11th November, 2024) as per Regulation 164(1) and 166A(1) of Part IV: "Pricing", of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

This will be referred to as "the SEBI (ICDR) Regulations" in connection with the proposed issue of Equity warrants convertible into Equity shares (proposed transaction).

The Final Valuation Report / Certificate of Valuation ("Valuation Report" or "Report") so provided to the Management shall be used for determining the Floor Price per Equity Warrant convertible into Equity Share under Regulation 164(1) and 166A (1) of SEBI (ICDR) Regulations at which such issuance of Equity warrants convertible into Equity shares can be made as well as to comply with the stated Regulations.

Manish Jaju



Manish Jaju
B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

This valuation report is our deliverables to the above engagements. This valuation report is subject to the scope, assumptions, caveats, limitations and disclaimers detailed hereinafter. As such the valuation report is to be read in totality, and not in parts, in conjunction with relevant documents referred to therein.

The company proposed to issue 27,00,000 Equity Share warrants convertible into Equity shares to the following Allottees

Sr. No	Name of Allottees	No. of Equity Share warrants
1	Bhavi Shah	10,00,000
2	Saumik Ketan Doshi	2,50,000
3	Paulomi Ketankumar Doshi	2,50,000
4	Manish Mahendra Modi	2,25,000
5	Harshad Nanalal Mehta	1,50,000
6	Sandhya Harshad Mehta	1,50,000
7	Ekta Harshad Mehta	1,00,000
8	Nalini Jhaveri	75,000
9	Govind Dharamshi Ravaria	50,000
10	Narayan Dharamshi Ravaria	50,000
11	Chandrakant Shah	50,000
12	Kaushal Gandhi	40,000
13	Kinjal Gandhi	40,000
14	Jash Shah	30,000
15	Kanji Dharamshi Ravaria	25,000
16	Ramesh Dharamshi Ravaria	25,000
17	Rohit Govind Patel	25,000
18	Ramila Govind Patel	25,000

Manish



Manish Jaju
B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

19	Amrutben Narayan Ravaria	25,000
20	Chandrika Ramesh Ravaria	25,000
21	Jamna Kanji Ravaria	25,000
22	Kusum Shah	25,000
23	Dhiren Shah	20,000
24	Sanay Sanghavi	20,000
	Total	27,00,000

Manish



2. Intended Users:

The distribution and use of the Valuation Report is restricted to the Client and to appropriate authorities in connection with compliance of the requirements of statutes as stated above, if required. The Valuation Report shall not be distributed to outside parties to obtain credit or for any other purposes. Possession of this report does not carry with it the right of publication of all or part of it, nor may it be provided to any third parties other than in connection with required judicial procedures. We do not assume any liability, obligation or accountability to any unauthorized third-party users of this report under any circumstances.

3. Background of the Company:

Organic Recycling Systems Limited, bearing CIN L40106MH2008PLC186309 was incorporated on 29th August, 2008, under the provisions of Companies Act, 1956. The registered office of the Company is at 1003, 10th Floor, The Affaires, Plot No 9, Sector No 17, Sanpada, Navi Mumbai, Thane, Maharashtra, India, 400705, The Equity Shares of the Company are listed on BSE - SME.

4. Capital Structure

The Capital Structure of the Company as on the valuation date is as follows:

Particulars	Amount (in ₹ Lakhs)
Authorised Capital	
<i>Equity Shares</i>	
2,00,40,000 equity shares of Rs. 10 each	2,004.0
<i>0% Optionally Convertible Cumulative Preference Shares</i>	
3,00,000 preference shares of Rs. 10 each	30.0
<i>0% Non – Cumulative Redeemable Preference Shares</i>	
1,60,000 preference shares of Rs. 10 each	16.00

Manish



Total Authorised Capital	2,050.0
Issued, Subscribed and Paid-Up Capital	
<i>Equity Shares</i>	
76,99,275 equity shares of Rs. 10 each	769.93
<i>0% Non – Cumulative Redeemable Preference Shares</i>	
1,57,632 preference shares of Rs. 10 each	15.76
Total Issued, Subscribed and Paid-Up Capital	785.69

Shareholding Pattern of the company is as follows

Particulars	Shareholding %
Promoter & Promoter Group	20.35%
Public	79.65%
Total	100.00%

5. Particulars of Directors

Name	Designation	DIN	Date of Appointment
Mr. Sarang Bhand	Managing Director	01633419	29/08/2008
Mr. Yashas Bhand	Whole Time Director & CEO	07118419	22/10/2020
Mrs. Janaki Bhand	Non-Executive Director	07118415	01/09/2022
Mr. Rakesh Mehra	Independent Director	00035812	04/10/2022
Mr Amit Vijay Karia	Independent Director	06846654	04/10/2022



Manish Jaju
B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

6. Business Of The Company

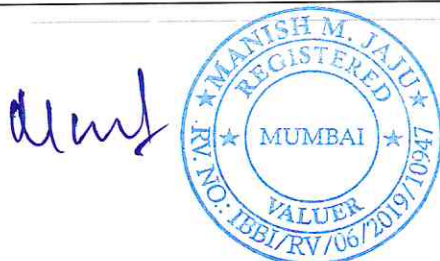
The company is an engineering firm focused on environmental solutions, providing waste management services across various waste types and stages of the value chain. Its primary focus is on developing robust, cost-effective, and environmentally friendly technologies that are easy to operate.

The company pioneered one of India's first Waste to Energy (WTE) plants utilizing anaerobic biometanation, a technology recognized as promising by India's National Master Plan. Additionally, it established a Municipal Solid Waste (MSW) processing and disposal plant in Solapur, Maharashtra, operational since 2013, which converts MSW into electricity and compost. This plant has been acknowledged under the Swachh Bharat Mission as a case study for best practices in MSWM.

Currently, the company is a front-runner for various EPC (Engineering, Procurement, and Commissioning) opportunities in India, offering solutions that encompass the entire waste management value chain. Its business models include Build Own Operate Transfer (BOOT), EPC, and the supply of key equipment. The company views waste management as a rapidly growing sector in India and aims to become a leading technology and service provider across Asia, the Middle East, and Africa.

7. Identity of the Valuer and any other experts involved in determination of valuation

Name of the Valuer	Manish Motilal Jaju
Address of the Valuer	D 502, Neelkanth Business Park, Vidyavihar West, Mumbai 400086.
Contact Details	9819433452



Manish Jaju
B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

Email Address	mmjaju5@gmail.com
Qualifications	Chartered Accountant, Registered Valuer
IBBI Registration No	IBBI/RV/06/2019/10947
Independence and Disclosure of Interest	The undersigned is an independent valuer. There is no conflict of interest. It is further stated that neither the undersigned nor the relatives / associates are related or associated with the companies.
Any other experts involved	No

8. Date of appointment, Valuation date and date of valuation report

Particulars	Date
Date of Appointment of Valuer	2 nd November, 2024
Valuation Date	8 th November 2024, a trading day prior to "Relevant Date" i.e. 11 th November, 2024
Date of Valuation Report	14 th November, 2024

9. Inspections and Investigations Undertaken

Website of Ministry of Corporate Affairs (MCA) visited to carry out the inspections of various documents filed by the Company as considered necessary in connection with performance of our duties.



10. Valuation Standards followed

International Valuations Standards issued by International Valuations Standards Council have been followed in conducting the valuations.

Valuation Base and Premise of Value

Valuation Base: Valuation base means the indication of the type of value being used in an engagement. Different valuation bases lead to different conclusions of value. Considering the purpose and nature of the proposed transaction, we have considered Fair Value as the valuation basis. Fair Value, which is often defined as the price, in terms of cash or equivalent, that a buyer could reasonably be expected to pay and a seller could reasonably be expected to accept if the business were exposed for sale in the open market for a reasonable period of time, with both buyer and seller being in possession of the pertinent facts and neither being under any compulsion to act.

Premise of Value: Premise of value refers to the conditions and circumstances under which an asset is deployed. Based on the purpose of valuation, we have considered Going Concern Value as the Premise of Value.

11. Nature and sources of Data/ Information used/ Relied upon

The valuation exercise is based on the following information which has been received from the management and information available in the public domain and have been relied upon by us:

- i. Consolidated Audited Financial Statements of the Company for the financial years ended 31st March 2023 and 31st March 2024
- ii. Consolidated Provisional Financials namely Balance Sheet as on 30th September 2024 and Profit & Loss Account Statements of the Company for the period from 1st April 2024 to 30th September 2024
- iii. Estimated Financials of the company for the period from 1st October 2024 to 31st March 2025

Manish



- iv. Projected Financials of the company for a period of 5 years from the accounting year 2025-26 to 2028-29
- v. Trading Data of the company from the Bombay Stock Exchange - BSE – Website
- vi. Other information / Data available from BSE Website and other Public Domains
- vii. The business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis have been analysed
- viii. Other relevant details regarding the companies such as their history, past and present activities
- ix. We have obtained explanations and information which we considered necessary to our exercise from the Key Managerial Persons of the Company. The Company has been provided with the opportunity to review the draft valuation report (excluding the Fair Value) for this engagement to make sure that the factual inaccuracies are avoided in our Final Valuation Report.

12. Procedures adopted in carrying out the assignment

- i. Receipt of proposal for determination of pre-money fair valuation of the Equity Warrants convertible into Equity Shares of the company and determination of floor price.
- ii. Discussion with the management and acceptance of the proposal.
- iii. Receipt of intimation about appointment and acceptance of proposal.
- iv. Providing the checklist for required information, documents and financial statements.
- v. Receipt of information, documents as per the checklist.
- vi. Collection of additional documents.
- vii. Performing sufficient analysis to evaluate all inputs and assumptions and their appropriateness for the valuation purpose.
- viii. Finalization of Valuation.
- ix. The valuation date, informed to us by the management of the company, for the purpose of calculation of the price per Equity Share warrant convertible into Equity Share as per



Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") for proposed issue of Equity Warrants convertible into Equity Shares is 9th November, 2024 (Relevant Date).

- x. This valuation analysis is on a date prior to the relevant date i.e., 8th November, 2024.

13. Approaches and methods of Valuation

For the purpose of valuation, generally following approaches can be considered, namely:

- Market Approach
- Income Approach
- Cost Approach

13.1 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 should be applied with sufficient significance weight under the following circumstances:

- (a) the subject asset has recently been sold in a transaction appropriate for consideration under the basis of value, (b) the subject asset or substantially similar assets are actively publicly traded, and/or (c) there are frequent and/or recent observable transactions in substantially similar assets.

Comparable Transactions 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.

Manish



Guideline Publicly – Traded Comparable method

The guideline publicly-traded method utilizes information on publicly-traded comparable that are the same or similar to the subject asset to arrive at an indication of value.

There are no comparable companies as well as comparable companies transactions for the company of same specifications, features and financial data etc., and hence I have not used Comparable Transactions Method and Guideline Publicly-Traded Method under Market Approach for its valuation.

Market Price Method

The equity shares of the company are listed and traded on BSE SME. There are regular transactions in the equity shares with reasonable volumes. Accordingly, I have referred to Pricing regulations stated in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018 as amended from time to time and the specific information/explanations available for arriving at the price as per Market Price Method, as detailed below.

PRICE OF THE EQUITY SHARES OF THE COMPANY AS PER REGULATION 164(1) OF SEBI (ICDR) REGULATIONS

The relevant "SEBI ICDR" Regulations with respect to determination of pricing are given below:
Part IV - Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 on Pricing.

Manish



Pricing of frequently traded shares

164. (1) If the equity shares of the issuer have been listed on a recognized stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than the higher of the following:

a. the 90 trading days' volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date;

or

b. the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognized stock exchange preceding the relevant date. Provided that if the Articles of Association of the issuer provide for a method of determination which results in a floor price higher than that determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue.

Stock Exchange

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

Frequently Traded Shares

As per Regulation 164(5), "frequently traded shares" means the shares of the issuer, in which the traded turnover on any recognized stock exchange during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer. Provided that where the share capital of a particular class of shares of the issuer is not identical throughout such period, the weighted average number of total shares of such class of the issuer shall represent the total number of shares.



The equity shares of the company are listed only at BSE SME for a period of more than 90 days. We have considered the traded turnover of the equity shares during the 240 trading days preceding the relevant date and have found that it is beyond ten percent of the total number of shares of such class of shares of the company, hence the equity shares of the company have been considered as frequently traded shares for the purpose of valuation.

Articles of Association of the company does not provide any specific clause prescribing the method of determination of floor price higher than that determined under these regulations.

As per Regulations 164(1) of SEBI (ICDR) Regulations, since the equity shares of the company have been listed on recognized stock exchange for a period of more than 90 trading days as on the relevant date and are frequently traded on BSE SME, we have computed 90 trading days volume weighted average price of the equity shares of the company preceding the relevant date as well as 10 trading days' volume weighted average prices of the related equity shares quoted on a BSE SME Stock Exchange preceding the relevant date.

Computation of pricing of the shares of the company as per Regulation 164 are summarized below

S.no	Description	Amount in ₹
1	90 Trading Days Volume Weighted Average Price	₹ 272.29 (Annexure I)
2	10 Trading Days Volume Weighted Average Price	₹ 231.88 (Annexure II)
3	Higher of the above	₹ 272.29

Accordingly, the value per share warrant convertible into equity share of the company as per Regulations 164(1) of SEBI (ICDR) Regulations is higher of the above, that is ₹ 272.29 (Rupees Two Hundred Seventy Two and Twenty nine paise only).

Valuation as per first proviso to Regulation 164(1) of SEBI (ICDR) Regulations As informed by the management and based on my perusal of Article of Association of the



Company, it is understood that no method of determination of price pursuant to issuance of shares has been prescribed.

13.2 Income Approach

Valuation under Income Approach is dependent upon the future free cash flow. The valuation can be done by applying Free Cash Flow for Firm (FCFF) or Free Cash Flow for Equity (FCFE). The projected cash flows are used with statistical techniques. Discount factors are the reflection of time value of money and various risks involved.

The income approach should be applied and afforded significant weight under the following circumstances: (a) the income-producing ability of the asset is the critical element affecting value and/or (b) reasonable projections of the amount and timing of future income are available for the subject asset, but there are few, if any, relevant market comparables.

Discounted Cash Flow Method under Income Approach has been considered for valuation of the Company since its value lies in the future potentials from its business.

The management has provided us the Consolidated Audited Financial Statements of the Company for the financial years ended 31st March 2023 and 31st March 2024, Consolidated Provisional Financial Statements such as Balance Sheet as on 30th September 2024 and Profit & Loss Account Statement of the Company for the period from 1st April 2024 to 30th September 2024, Estimated Financials for the period from 1st October 2024 to 31st March 2025 and Projected Financials of the company for a period of 4 years from 2025-26 to 2028-39.

Pre-Money - Fair Value of Equity Warrants convertible into Equity Shares

These financial projections have been analysed by us. We have considered appropriate to determine the Value of Equity share by considering Free Cash Flow to Equity -FCFE. The detailed workings

Manish



with assumptions are given in the Annexure III. Fair Value (Pre Money) of the Equity warrants convertible into Equity shares of the company as per DCF Method has been computed at ₹ 246.15 (Rs. Two Hundred Forty Six and Fifteen Paise Only).

13.3 Cost Approach

The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence.

The cost approach should be applied and afforded significant weight under the following circumstances:

- a. participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- b. the asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- c. the basis of value being used is fundamentally based on replacement cost, such as replacement value

Based on the provisional consolidated financial statements of the company the Net asset value per Equity Warrant convertible to Equity Shares is ₹ 101.04 (Rs One Hundred One and Four Paise Only). The detailed workings are given in the Annexure IV.



14. Valuation as per Regulations 166 A (1) of SEBI (ICDR) Regulations

The relevant Extract of SEBI (ICDR) Regulations 2018, are given below:

166A. (1) Any preferential issue, which may result in a change in control or allotment of more than five per cent. of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price.

Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be, or the price determined under the valuation report from the independent registered valuer or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable; Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premiums, which shall be computed over and above the price determined in terms of the first proviso; Provided further that the valuation report from the registered valuer shall be published on the website of the issuer and a reference of the same shall be made in the notice calling the general meeting of shareholders.

As per the management, the proposed issue of Equity Warrants convertible into Equity Shares may result in allotment of more than five percent of the post issue fully diluted share capital of the company. Therefore, 166A Regulation has become applicable.

15. Valuation and Conclusion

Based on the foregoing data, I recommend Floor Price (as required under first proviso to Regulation 166A (1) of SEBI (ICDR) Regulations per Equity Warrants convertible into Equity Shares of



Organic Recycling Systems Limited (Face Value of Rs 10 each) at ₹ 272.29 (Rupees Two Hundred Seventy Two and Twenty nine paise only) rounded up to two decimals.

Table I below here represents the summary of fair value per Equity Warrant convertible into Equity Share of the company computed under Regulations 166A (1) while the Table II represents the floor price as per first proviso to said regulations.

Table I

Valuation Approaches	Value per Equity share in ₹	Weightages
Market Approach		
Market price method (13.1)	272.29	100%
Comparable Company Market Multiple Method	NA	
Comparable Company Transaction Multiple Method	NA	
Income Approach		
Discounted Cash Flow Method (13.2)	246.15	
Cost Approach		
Net Asset Value Method (13.3)	101.04	
Fair Value per Equity Warrant convertible into Equity Share	272.29	

Note to above table

- i. NA means Not Adopted / Not Applicable
- ii. We have not come across any comparable companies as well as comparable companies transactions for the company of same specifications, features and financial data etc. and hence I have not used Comparable Transactions Method and Guideline Publicly-Traded Method under Market Approach for its valuation.



- iii. Fair value of the Equity Warrants convertible into Equity Shares of the company as per Discounted Cash Flow method has computed and it is determined at ₹ 246.15 (Rs. Two Hundred Forty Six and Fifteen Paise Only) which is lower than the valuation as per ICDR regulations, it has been ignored for final computation.
- iv. Fair value of the Equity Warrants convertible into Equity Shares of the company as per Net Asset Value method has computed and it is determined at ₹ 101.04 (Rs. One Hundred One and Four Paise Only) which is lower than the valuation as per ICDR regulations, it has been ignored for final computation.

Further as per the first proviso of Regulation 166(A)(1) of SEBI (ICDR) Regulations, the Floor Price for the proposed allotment shall be higher of the Fair value per Equity Warrant convertible into Equity Share computed as above or the price calculated in terms of Regulation 164(1). This has been summarized in the below mentioned table.

Table II

Particulars	Price in ₹	Reference
Floor Price, where the proposed issuance of shares may lead to allotment of more than five per cent of the post issue fully diluted share capital as per first proviso to Regulation 166A (1) of the ICDR Regulations, shall be higher of the following:		
i) Fair value per Equity Warrant convertible into Equity Share determined as per this Report as per sub regulation 1 of regulation 166A	272.29	Para 15 above

Manish Jaju



ii) Floor price determined under sub-regulation (1) of regulation 164 or	272.29	Para 13.1 above
Recommended Floor Price as per first proviso of regulation 166A (1) of ICDR Regulations is	272.29	

Based on the above, valuation as per first proviso to Regulation 166(A1) is arrived at ₹272.29 (Rs. Two Hundred Seventy Two and Twenty Nine Paise only) per Equity Warrant convertible into Equity Share of the Company.

16. Restrictions on the use of this report

This report 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. We do not take any responsibility for the unauthorized use of this report.

17. Significant Assumptions, Caveats, Limitations and Disclaimers

- i. This Valuation Report has been issued on the specific request of the Company for determining the value of Equity Warrants convertible into Equity Shares in compliance with the SEBI (ICDR) Regulations. This Report is prepared exclusively for the above-stated purpose and must not be copied, disclosed or circulated or referred to in correspondence or discussion with any other party. Neither this report nor its content may be used for any other purpose without our prior written consent.
- ii. The determination of Fair Valuation is not a science. The conclusion arrived at in many cases will, of necessity, be subjective and depends on the exercise of individual judgments.



There is, therefore, no single undisputed Fair Value. While the undersigned has provided the opinion on fair valuation based on information available and within the scope of engagement, others may have different opinions.

- iii. The responsibility for the finalization of fair value is of the Board of Directors who should take into account other factors such as their own assessments of the proposed issue of Equity Warrants convertible into Equity Shares and inputs of other advisors.
- iv. The management/representatives warranted to the undersigned 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 Management concerning the financial and other information relating to the proposed transaction. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the company, its directors, employees or agents.
- v. We have relied on data from external sources 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.
- vi. While the scope of work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the client's existing business records. Accordingly, the undersigned assumes no responsibility and makes no representations with respect to the accuracy or completeness of any information provided by and on behalf of you and the client. My 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.

- vii. The undersigned assumes that the companies fully comply with relevant laws and regulations applicable in all their areas of operations and unless otherwise stated, and that these companies will be managed in a competent and responsible manner.
- viii. This report does not look into the business and commercial reasons behind the proposed transaction of proposed issue nor the likely benefits arising out the same. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction or other alternative or whether or not such alternative could be achieved or are available.
- ix. 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 me 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.
- x. The undersigned don't have present or planned future interest in the Company and the fee for this Valuation Report is not contingent upon the values reported herein.
- xi. As per the management, there has been no significant events between 30th September 2024 and the relevant date having the impact on the financials / projections of the company.
- xii. The undersigned owe responsibility to Board of Directors of client company, under the terms of the engagement letter. The undersigned will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other advisor to the companies. In no event, the undersigned will be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or

Manish



Manish Jaju
B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

willful default on part of the companies, their directors, employees or agents. We do not accept any liability to any third party in relation to issuance of this report.

- xiii. In no circumstances the liability of the undersigned, our associates or employees, relating to the services provided in connection with the engagement set out in this valuation report shall exceed the amount of fees paid for the assignment.

For Mr. Manish Jaju

Companies Registered Valuer

Registration No: IBBI/RV/06/2019/10947

Place: Mumbai

Date: 14th November, 2024

UDIN: 24110753BKFEQF3476

Manish Jaju
B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

Annexure- I

90 trading days Volume Weighted Average Price (VWAP) of the equity shares of Organic Recycling Systems Limited, quoted on the BSE – SME exchange preceding 11th November, 2024 (Relevant Date)

No of Days	Date	Open Price	High Price	Low Price	Close Price	WAP	No.of Shares Traded	Total Value in ₹
1	08-Nov-24	268.00	276.00	268.00	274.60	271.00	24,000	65,04,090.00
2	07-Nov-24	275.00	279.00	261.20	262.60	270.50	24,600	66,54,300.00
3	06-Nov-24	246.00	280.00	246.00	267.05	261.86	31,800	83,27,280.00
4	05-Nov-24	236.00	258.00	236.00	255.50	241.90	13,800	33,38,160.00
5	04-Nov-24	245.55	245.70	234.00	235.85	239.63	15,600	37,38,270.00
6	01-Nov-24	244.10	245.50	244.10	245.50	244.65	6,600	16,14,690.00
7	31-Oct-24	228.00	242.00	228.00	242.00	236.58	21,600	51,10,200.00
8	30-Oct-24	227.00	240.00	216.00	238.15	229.28	39,000	89,42,010.00
9	29-Oct-24	214.00	230.00	213.10	226.90	219.62	18,000	39,53,160.00
10	28-Oct-24	223.00	225.50	209.00	210.20	212.28	1,51,200	3,20,96,130.01
11	25-Oct-24	225.00	230.00	210.90	221.80	221.33	92,400	2,04,50,970.00
12	24-Oct-24	230.00	232.20	225.00	225.00	229.87	14,400	33,10,080.00
13	23-Oct-24	240.00	243.00	231.00	231.00	237.31	15,000	35,59,650.00
14	22-Oct-24	256.00	256.00	233.95	241.30	251.87	33,000	83,11,800.00
15	21-Oct-24	253.05	258.00	253.00	254.40	254.59	15,000	38,18,910.00
16	18-Oct-24	261.00	261.00	250.00	252.65	257.08	19,800	50,90,130.00
17	17-Oct-24	250.00	270.00	250.00	257.45	258.56	40,200	1,03,94,220.00
18	16-Oct-24	243.85	251.00	243.85	251.00	249.46	10,800	26,94,210.00
19	15-Oct-24	265.00	267.00	250.00	250.20	256.13	52,800	1,35,23,610.00
20	14-Oct-24	260.00	270.90	255.05	268.45	260.43	13,200	34,37,640.00
21	11-Oct-24	258.00	258.80	255.75	256.90	257.63	9,600	24,73,290.00
22	10-Oct-24	258.00	258.65	255.00	256.00	257.00	11,400	29,29,770.00
23	09-Oct-24	260.00	262.00	257.00	257.00	258.86	25,800	66,78,690.00
24	08-Oct-24	258.00	259.20	255.00	256.05	257.24	16,200	41,67,300.00
25	07-Oct-24	260.00	261.95	255.00	255.00	258.15	11,400	29,42,910.00
26	04-Oct-24	260.00	266.00	257.00	257.00	260.12	15,000	39,01,800.00
27	03-Oct-24	260.00	260.00	255.00	259.50	257.06	13,800	35,47,380.00
28	01-Oct-24	260.50	262.00	258.00	258.80	259.86	12,600	32,74,200.00
29	30-Sep-24	260.00	262.40	255.25	260.00	260.26	13,800	35,91,540.00

Manish



Manish Jaju
 B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
 Regd Insolvency Professional,
 Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
 Registered Valuer
 D/502, Neelkanth Business Park
 VidyaVihar (W), Mumbai-86
 Email: -mmjaju5@gmail.com
 Mobile:- 9819433452

No of Days	Date	Open Price	High Price	Low Price	Close Price	WAP	No.of Shares Traded	Total Value in ₹
30	27-Sep-24	265.00	266.00	259.25	259.80	261.50	27,600	72,17,280.00
31	26-Sep-24	265.00	266.40	261.05	263.75	265.00	10,800	28,62,030.00
32	25-Sep-24	270.20	271.00	265.00	265.00	267.07	15,000	40,05,990.00
33	24-Sep-24	262.10	266.20	260.00	265.05	264.07	16,200	42,78,000.00
34	23-Sep-24	260.50	263.50	260.00	261.00	261.40	24,000	62,73,660.00
35	20-Sep-24	256.05	263.00	256.00	260.00	258.74	10,800	27,94,440.00
36	19-Sep-24	267.85	278.00	256.00	256.00	269.68	13,800	37,21,620.00
37	18-Sep-24	280.50	280.95	259.10	261.85	277.40	9,600	26,63,010.00
38	17-Sep-24	280.00	280.80	277.00	280.00	279.48	21,000	58,69,020.00
39	16-Sep-24	273.65	280.00	266.80	279.60	276.32	19,800	54,71,130.00
40	13-Sep-24	270.50	275.00	270.50	273.60	272.13	10,800	29,39,040.00
41	12-Sep-24	272.05	272.70	270.00	271.35	271.65	10,200	27,70,800.00
42	11-Sep-24	270.00	272.00	268.00	272.00	270.20	7,200	19,45,410.00
43	10-Sep-24	275.00	275.30	271.00	273.00	274.38	7,800	21,40,170.00
44	09-Sep-24	267.00	275.85	267.00	271.00	269.34	9,600	25,85,670.00
45	06-Sep-24	272.50	275.00	266.80	266.80	270.43	9,000	24,33,870.00
46	05-Sep-24	275.00	275.00	270.00	270.50	273.81	7,800	21,35,730.00
47	04-Sep-24	265.65	273.95	265.65	268.00	269.86	11,400	30,76,440.00
48	03-Sep-24	276.50	278.00	266.00	268.65	272.00	15,600	42,43,230.00
49	02-Sep-24	260.00	284.20	260.00	276.00	279.03	17,400	48,55,110.00
50	30-Aug-24	288.05	288.45	283.00	283.50	286.87	9,600	27,53,940.00
51	29-Aug-24	291.00	291.45	288.00	288.00	290.59	8,400	24,40,950.00
52	28-Aug-24	305.00	309.65	290.25	290.65	302.32	24,600	74,36,970.00
53	27-Aug-24	299.50	304.00	297.05	301.15	300.75	18,600	55,93,890.00
54	26-Aug-24	294.00	296.00	286.00	295.05	292.50	19,800	57,91,560.00
55	23-Aug-24	285.50	288.90	282.75	288.50	286.89	15,000	43,03,350.00
56	22-Aug-24	291.00	292.25	281.90	283.00	285.84	39,600	1,13,19,150.00
57	21-Aug-24	285.60	290.80	285.20	290.00	287.79	18,600	53,52,900.00
58	20-Aug-24	295.00	295.00	290.00	290.85	291.77	13,200	38,51,400.00
59	19-Aug-24	282.95	293.30	277.05	292.45	289.00	20,400	58,95,600.00
60	16-Aug-24	276.25	277.35	275.00	275.00	275.95	12,000	33,11,370.00
61	14-Aug-24	281.35	281.50	275.00	275.25	279.04	17,400	48,55,260.00
62	13-Aug-24	283.90	288.00	277.50	281.25	281.84	24,000	67,64,250.00
63	12-Aug-24	288.00	288.50	281.00	282.00	285.56	25,200	71,96,160.00
64	09-Aug-24	291.50	292.15	284.00	287.70	289.75	15,600	45,20,100.00
65	08-Aug-24	290.40	291.50	290.10	291.10	290.82	16,200	47,11,230.00
66	07-Aug-24	277.05	290.00	274.15	290.00	281.48	21,600	60,79,860.00
67	06-Aug-24	288.50	289.30	272.25	274.10	281.41	25,800	72,60,270.00

Manish



Manish Jaju
B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

No of Days	Date	Open Price	High Price	Low Price	Close Price	WAP	No.of Shares Traded	Total Value in ₹
68	05-Aug-24	288.00	291.00	280.00	282.05	286.30	28,200	80,73,750.00
69	02-Aug-24	295.50	297.80	290.25	295.00	294.54	18,600	54,78,510.00
70	01-Aug-24	301.10	304.00	294.00	297.45	297.81	33,600	1,00,06,470.00
71	31-Jul-24	311.00	311.00	299.70	300.25	303.80	29,400	89,31,660.00
72	30-Jul-24	311.00	315.50	292.00	307.65	307.60	50,400	1,55,02,860.00
73	29-Jul-24	287.40	311.00	287.35	310.50	301.29	73,800	2,22,35,370.00
74	26-Jul-24	285.50	306.50	283.00	290.60	296.68	51,600	1,53,08,760.00
75	25-Jul-24	281.00	289.90	281.00	285.95	285.06	15,600	44,46,870.00
76	24-Jul-24	274.50	296.00	274.20	286.70	284.54	42,600	1,21,21,470.00
77	23-Jul-24	280.50	285.30	276.05	281.00	281.68	20,400	57,46,320.00
78	22-Jul-24	281.50	284.55	276.50	280.30	282.24	26,400	74,51,100.00
79	19-Jul-24	294.50	295.80	280.00	281.00	285.66	30,000	85,69,830.00
80	18-Jul-24	299.95	299.95	285.00	286.75	289.67	33,000	95,59,260.00
81	16-Jul-24	295.65	305.00	293.50	296.05	298.44	39,000	1,16,39,010.00
82	15-Jul-24	305.50	310.00	297.50	297.50	303.28	22,800	69,14,850.00
83	12-Jul-24	292.10	306.00	292.10	298.15	298.49	35,400	1,05,66,570.00
84	11-Jul-24	292.00	302.50	291.50	291.90	294.56	54,600	1,60,82,880.00
85	10-Jul-24	300.50	303.00	286.05	295.00	294.24	42,600	1,25,34,750.00
86	09-Jul-24	285.00	302.00	285.00	298.75	294.51	75,000	2,20,88,280.00
87	08-Jul-24	295.00	295.00	284.60	284.85	291.63	27,000	78,74,100.00
88	05-Jul-24	288.00	297.00	285.00	286.35	289.85	40,800	1,18,25,790.00
89	04-Jul-24	295.00	297.00	285.00	285.45	290.10	46,800	1,35,76,800.00
90	03-Jul-24	282.05	303.90	282.05	294.35	293.79	73,200	2,15,05,170.00
Total							23,14,200	63,01,36,740.00
Volume Weighted Average Price of 90 Trading Days								272.29

Annexure- II

10 trading days Volume Weighted Average Price (VWAP) of the equity shares of Organic Recycling Systems Limited, quoted on the BSE – SME exchange preceding 11th November, 2024 (Relevant Date)



Manish Jaju
 B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
 Regd Insolvency Professional,
 Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
 Registered Valuer
 D/502, Neelkanth Business Park
 VidyaVihar (W), Mumbai-86
 Email: -mmjaju5@gmail.com
 Mobile:- 9819433452

No of Days	Date	Open Price	High Price	Low Price	Close Price	WAP	No.of Shares Traded	Total Value in ₹
1	08-Nov-24	268.00	276.00	268.00	274.60	271.00	24,000	65,04,090.00
2	07-Nov-24	275.00	279.00	261.20	262.60	270.50	24,600	66,54,300.00
3	06-Nov-24	246.00	280.00	246.00	267.05	261.86	31,800	83,27,280.00
4	05-Nov-24	236.00	258.00	236.00	255.50	241.90	13,800	33,38,160.00
5	04-Nov-24	245.55	245.70	234.00	235.85	239.63	15,600	37,38,270.00
6	01-Nov-24	244.10	245.50	244.10	245.50	244.65	6,600	16,14,690.00
7	31-Oct-24	228.00	242.00	228.00	242.00	236.58	21,600	51,10,200.00
8	30-Oct-24	227.00	240.00	216.00	238.15	229.28	39,000	89,42,010.00
9	29-Oct-24	214.00	230.00	213.10	226.90	219.62	18,000	39,53,160.00
10	28-Oct-24	223.00	225.50	209.00	210.20	212.28	1,51,200	3,20,96,130.01
Total							3,46,200	8,02,78,350
Volume Weighted Average Price of 10 Trading Days								231.88

Annexure- III – Discounted Cash Flow Method

Discount Rate Workings”

Sr.No	Particulars	%	Source
1	Risk Free Return (Rf)	7.1%	https://in.investing.com/rates-bonds/india-10-year-bond-yield-historical-data
2	Equity Risk Premium (Rm-Rf)	7.8%	Risk Premium (Erp of India) (5 Jan 24)
3	Beta	1.0	Environmental & Waste Services - India (Damodaran website) (5 Jan 24)
4	Cost of Equity before adjustment	14.9%	
5	Add: Liquidity & scale premium	2.0%	
6	Cost of equity (ke)	16.9%	



Manish Jaju
B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

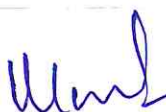

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

Particulars						(₹ in Lakhs)
	Oct'24 – Mar'25	FY 26	FY 27	FY 28	FY 29	Terminal Value
PAT	603.58	2,087.44	3,493.86	4,333.07	5,455.02	
Add: Depreciation and Amortization	200.74	377.57	632.94	626.49	614.98	
Gross cash flow	804.32	2,465.00	4,126.80	4,959.57	6,070.00	
Less: Changes in Working Capital	360.00	-2,488.76	-3,289.34	-1,694.32	-1,620.26	
Less: Capex	- 11.36	- 60.86	- 66.45	- 207.09	- 7.80	
Less: Change in total borrowing	- 300.70	- 270.63	- 243.57	- 219.21	-197.29	
Free Cashflow to equity	852.25	- 355.25	527.45	2,838.94	4,244.65	29,018.36
Year of Discounting factor	0.5	1.5	2.5	3.5	4.5	4.5
Discounting factor	0.92	0.79	0.68	0.58	0.49	0.49
Net present value	788.17	-281.00	356.83	1,642.65	2,100.59	14,360.62
Net Valuation (Equity + Preference)	18,967.87					
Less: Preference Shares	15.76					
Equity Valuation	18,952.11					
No of existing shares	76,99,275					
Per Share Value	246.15					



Annexure- IV – Net Asset Value Method

Particulars	As at 30 th September, 2024 (₹ in Lakhs)
<u>Non-current assets</u>	
Tangible fixed assets	5,267.54
Capital work in progress	716.47
Intangible fixed assets	1,369.56
Non Current Investments	0.10
Long-term loans & advances	8.24
Other non-current assets	224.69
Total Non - Current assets	7,586.59
<u>Current assets</u>	
Debtors	4,667.31
Inventories	209.60
Short-term loans & advances	259.50
Other current assets	178.07
Cash & cash equivalents	188.55
Total Current assets	5,503.02
<i>Less:</i>	
<u>Non-Current Liabilities</u>	
Long-term borrowings	3,007.03
Other long-term liabilities	226.00
Long-term provisions	66.12
Total Non-current liabilities	3,299.15
<u>Current liabilities</u>	
Short-term borrowings	154.30
Creditors	994.72
Provisions	105.36
Other current liabilities	740.69
Total Current Liabilities	1,995.06
Net Assets of the company	7,795.40
Less: Preference share Capital	15.76

Manish Jaju
B.Com,F.C.A.,MBF (ICAI), DIP IFRS (ACCA) UK,
Regd Insolvency Professional,
Regd Valuer (Securities and Financial Assets).

MANISH M JAJU
Registered Valuer
D/502, Neelkanth Business Park
VidyaVihar (W), Mumbai-86
Email: -mmjaju5@gmail.com
Mobile:- 9819433452

Particulars	As at 30 th September, 2024 (₹ in Lakhs)
Net Assets of the company attributable to equity shareholders	7,779.63
No of Equity Shares	76,99,275
Par value of Equity Share Warrant	101.04

Manish

