

# HIMALCHULI FOOD PRODUCTS LIMITED

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Email : [himalchulifoodproducts@gmail.com](mailto:himalchulifoodproducts@gmail.com)  
Website: [www.hfpltd.in](http://www.hfpltd.in)  
CIN: L15400GJ1986PLC008652

## COMPUTATION OF SHARE EXCHANGE RATIO

Valuation Approach	Transferee Company		Transferor Company	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	1*	1	290	1
Income Approach	Not Applicable	Refer Note	Not Applicable	Refer Note
Market Approach	Not Applicable	Refer Note	Not Applicable	Refer Note
Relative Value per Share	1		290	

It may herein be noted that the BSE has issued a Circular (Circular No. LIST/COMP/02/2017-18 dated May 29, 2017) to the Listed Companies, on advice by SEBI, laying down the format in which the valuation report shall display the workings, relative fair value per share and fair exchange ratio. The disclosure in the format suggested by BSE is as under:

*Note: As mentioned earlier, we have not adopted the Income Approach and Market Approach for the valuation.*

*\* We observe that the value per share of the Transferee Company, arrived under the NAV Method, is negative. Therefore, we consider the value per share at a nominal value of INR 1 (Indian Rupee One).*

### Share Exchange Ratio:

290 (Two Hundred and Ninety) Equity Shares of Transferee Company of INR 1 each full paid up for every 1 (One) Equity Shares of Transferor Company of INR 10

### Notes on Valuation Methodologies Applied:

- The application of any particular method of valuation depends on the purpose which the valuation is done.
- Each method proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times even no relevance to a given situation. Thus, the methods to be adopted for a particular valuation must be judiciously chosen.



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- In arriving the value of the equity shares of the Companies, from amongst the generally accepted valuation methodologies, we have applied most relevant, applicable and appropriate to the circumstances.
- For the valuation of the equity shares of the companies we have primarily relied on Cost Approach – NAV Method. To derive the value under this approach we have calculated the networth of the Himalchuli and RKD, based on the numbers considering the balance sheet of the companies as on October 31, 2018. The networth amount of RKD then adjusted/discounted, as the equity shares of RKD are not listed on any stock exchange, by 15% towards the lack of Marketability. The values so arrived at above is divided by the number of issued, subscribed and fully paid-up equity shares to derive the value per share.
- Income approach has not been considered on account of absence of any projected financial information.
- Market Price Method has not been considered for the purpose of valuation as the equity shares of Himalchuli as not traded in the last three years and the equity shares of RKD are not listed on any stock exchange.

For Himalchuli Food Products Ltd

  
Nilesh Savla  
Director

