

***Report Pertaining to Valuation of B B
Publication Private Limited***



Registered Valuer:

Vandana Sankhala

Chartered Accountant

Registered Valuer-Securities or Financial Assets

IBBI Registration No. IBBI/RV/06/2019/11578

Certified Valuator and Analyst-NACVA



The Board of Directors,

B B Publication Private Limited,

6A/2104, Sapphire Heights CHSL, Lokhandwala, Akurli Road,

Kandivali-East, Mumbai, Maharashtra, India, 400101

Recommendation of Fair Valuation of Equity

Based on Valuation of **B B Publication Private Limited** as on 31st March 2024, I recommend Fair value of Equity per share is Rs. 2,47,500/- approximately.

Please find enclosed a narrative report detailing Valuation analysis.

All information contained herein with respect to the valuation subject is provided to me, by you / your authorized personnel only. The contents of report have been reviewed in detail by the Management, who have also confirmed the factual accuracy. I understand that you agree with the contents of this report (especially fact based) and nothing has been concealed from me that could have had a bearing on the valuation.

Appreciate the cooperation received from Management and executives for the assignment.

Thanking You,

Yours Faithfully,

Vandana Sankhala



Vandana Sankhala

Registered Valuer IBBI/RV/06/2019/11578

ICAIRVO/06/RV-P0056/2019-20

UDIN 24207393BKEAOR5337

Place: Chennai

Date: 15th October 2024

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Executive Summary

Recommended Valuation

Valuation of B B Publications Private Limited

The Value per equity share as per sum of parts method as on 31st March 2024 is Rs. 2,47,500/-

B B Publications Private Limited (hereinafter referred to as “ BBPPL” or “Holding Company”) has invested 100% in B B Virtual Private Limited (hereinafter referred to as “BBVPL” or “Subsidiary Company”). Wholly owned Subsidiary is the operating company. Holding company also generates revenue.

Separate Valuation of both the entities was carried out and added to arrive at valuation of BBPPL.

*Based on Valuation workings (Pages 17-18)

Below table summarizes the material details pertaining to the valuation engagement and also the conclusions mentioned in the report herein.

Date of Appointment	3 rd October, 2024
Date of Valuation	31 st March, 2024
Valuation Approach Applied	Income Approach, Asset Approach
Valuation Base- Land and Plant & Machinery	Fair Market Value
Premise of Valuation	Going Concern
Valuation Method	DCF Method, NAV Method



Engagement Background

Purpose of Valuation

B B Publication Private Limited, (hereinafter referred to as (SBEPL”) is desirous of arriving Fair Value of Equity for Proposed sale of shares .

Management of the company has appointed me to undertake Valuation of the company to arrive at the Fair value to Equity shareholders on a non-marketable and controlling basis vide Engagement letter dated 3rd October 2024.

Business:

To carry on the business of printing, publishing and circulating or otherwise dealing in all types of books. newspapers, magazines. periodicals, journals or other publications.

Standard of Value

Standard of value is Fair Value.

Premise of Value

Opinion of value is based on Value in use /Going concern value. It is assumed that company is a going concern and management will continue to operate for optimum realisation of objectives.

Date of Valuation

Valuation has been requested for as on 31st March 2024.

Scope of service

Is to conduct valuation of shares and recommending Fair value.

Corporate Overview B B Publication Private Limited

B B Publication Private Limited is unlisted Private limited company incorporated under Companies Act 2013 on November 3rd , 2015 with CIN U85500MH2020PTC350703 having its registered office at 6A/2104, Sapphire Heights CHSL, Lokhandwala, Akurli Road, Kandivali-East, Mumbai, Maharashtra, India, 400101

The Memorandum of Association states the following main objectives of company

1. To carry on in India or elsewhere the business to publish, print, Trade, Produce, Promote, organize, manage, acquire, run, maintain, amalgamate, establish, commercialize, control, circulate, develop, sponsor, import, equip, job-work, market, operate, own, purchase. sell, protect, participate and to act as a agent. stockist. distributor. representative. news feeder, correspondent. communicator, supplier or otherwise to deal in all types, tastes, varieties and languages of all types of books periodicals, magazines, pamphlets, bulletins, souvenir, or other allied publications on any subject.
2. To carry on the business of printing, publishing and circulating or otherwise dealing in all types of books. newspapers, magazines. periodicals, journals or other publications.
3. To carry on the business of printing and publishing magazines. journals and newspapers and to act as agents in connection therewith and to undertake or arrange for the writing and books. Magazines, journals or pamphlets on subject relating to trade, commerce, industry, agriculture, banking, insurance, investment, taxation. finance. economics, Law and other subjects.
4. To carry on the business of digital publishing in all types of e-books,
5. To establish. and run in any part of India or abroad coaching institutes, Study center, oral coaching classes where in professional technical, vocational or higher education in every field of taxation, science. commerce, arts, management, engineering, law, banking. Insurance, finance, medicine,, hospitality, tourism, computers, or any other of education be imparted by conducting regular, part time via virtual or in physical mode
6. To develop, promote franchise. study centers in India or abroad for conducting regular, evening or weekend attentive classes and to get the necessary approval, permission required for this purpose.
7. To enter in to Joint Venture, or collaborate with accredited educational institutions in India/outside India to provide such infrastructure assistance to such accredited educational institution and such other learning support on such terms and conditions as may decided by the company from time to time.



Corporate Overview B B Publication Private Limited

Capital Structure of Company as on 31st March 2024 is as follows:

Particulars	As at March 31, 2024
Authorised Capital	
Equity Shares	
1,00,000 Equity Shares of Rs.10/- each	1000000
Issued and Subscribed Capital	
Equity Shares	
10,000 Equity Shares of Rs.10/- each	100000



Corporate Overview B B Publication Private Limited

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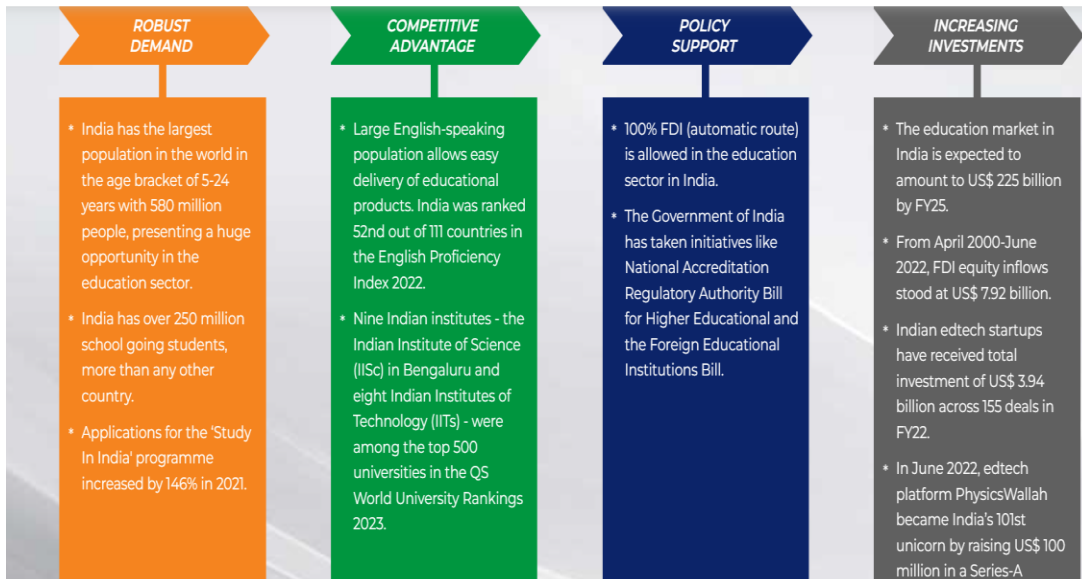
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Industry Overview- Education



EdTech :The new growth catalyst of the Indian Education Industry

By India Today Web Desk: The Education industry in India has witnessed maximum disruption during the pandemic. Education today is no longer restricted to just traditional classrooms. The restrictions imposed by the Government and the rigid safety protocols have paved the way to new-age pedagogies.

A fruitful outcome of these disruptions, however, has been the openness of all stakeholders- the government, private and public schools, tutors, coaching institutes, students, and teachers- in adopting the digital mode of learning, leading to the EdTech boom we are seeing today



Industry Overview- Education sector

India Online Education Market Synopsis

The Online Education Market in India is growing at a rapid pace with the increasing penetration of internet and smartphones. The number of online learners in India is expected to grow at a rapid pace in the upcoming years. The online education market is highly competitive.

The **online education market in India** is still in its early stages, with a few key players dominating the space. With the increasing penetration of internet and mobile devices, online education has gained popularity in India. Online education platforms offer a flexible and convenient way for students to learn. These platforms provide access to a wide range of courses and training programs that can be accessed from anywhere at any time.

According to 6Wresearch, the India Online Education Market size is expected to grow during 2022-2028.

One of the key trends driving the growth of online education in India is the increasing adoption of blended learning models, wherein students receive both online and offline instruction. This trend is being fueled by the growing popularity of Massive Open Online Courses (MOOCs) among Indian students. Another major trend driving the growth of online education in India is the increasing focus on personalized learning. Personalized learning refers to an educational approach that tailors instruction to meet the unique needs of each individual student. This approach is becoming increasingly popular in India as it helps students learn more effectively and achieve better outcomes.

COVID-19 Impact on India Online Education Industry

With the COVID-19 pandemic, there has been a surge in the adoption of online education in India as traditional educational institutions have shifted their mode of delivery to online platforms. This gave boost to the Online Education Market in India during the pandemic. Due to the imposed lockdown in the pandemic, people were not supposed to go outside. Thus, **Online Education Market in India** evolved more during the pandemic. Governments and parents did not want to compromise with the education of children. Therefore, online mode of education obtained popularity. The idea of online education was there even before pandemic, but it was not for school going kids who pursue their academic courses. It was only applicable for students want to pursue professional courses.



Industry Overview- Education

Market Analysis by Component

On the basis of components, the market is segmented into Laptop, Mobile and Pc. Among these, the mobile segment dominated the market and is expected to remain the dominated segment even in the future. This is because everyone these days have a smartphone that they can use to attend online classes on different application.

Market Analysis by Software

On the basis of software, the market is segmented into Worldclass, Courseplay and Yuja. All these segments have been obtaining popularity in the India Online Education Industry which is an important part of Asia-Pacific Online Education Market.

Market Analysis by learning Type

On the basis of learning type, the market is segmented into Chat, Voice, Video and Live Streaming. Among these, video and live streaming segment dominated the market during the pandemic and expected to boost the market growth in the years to come.

Emerging Trends and Developments in India Online Education Market

India Online Education Market is expected to grow during the forecast period, driven by the rising penetration of internet and smartphones, and the increasing awareness of online education among students and working professionals.

One of the key trends driving the growth of India Online Education Industry is the increasing adoption of blended learning models, wherein students receive both online and offline instruction. This trend is being fueled by the growing popularity of Massive Open Online Courses (MOOCs) among Indian students. MOOCs offer a flexible learning format that allows students to study at their own pace and schedule.

Another major trend driving the growth of online education in India is the increasing focus on personalized learning. Personalized learning refers to an educational approach that tailors instruction to meet the unique needs of each individual student. This approach is becoming increasingly popular in India as it helps students learn more effectively and achieve better outcomes.

The growing popularity of online education has also led to the emergence of new business models such as edtech startups and online tutoring platforms. These new players are redefining the landscape of Indian education with their innovative offerings and technologies.



Sources of Information

The following sources of information have been utilized in conducting the valuation, as provided to me by the Management:

- Audited financial statements of the company for financial year (FY) 19-20, 20-21, 21-22, 22-23 and 23-24
- Financial projections for about 4 years have been given.
- Shareholding pattern as on 31st March 2024
- Contracts and Agreements with customers.
- Discussions with the Management.
- In addition to the above, I have also obtained such other information and explanations from the Management as considered relevant for the purpose of the valuation.

All numbers are stated in Indian Rupees-INR in Crores unless other-wise stated in the Report.

I understand that Management has reviewed the draft report before the signed report was issued by me.

Below mentioned metrics have been sourced from reliable public domain:

Risk free rate has been taken from India Government Bond 20Y | 2024 from Clearing Corporation of India @ 6.97%

Risk Premium is the difference between market rate and risk-free rate of return.

Beta has been sourced from average Beta of companies in same segment.

Used Capital Asset Pricing Model (CAPM) for arriving at return on equity. CAPM is widely used for arriving return on equity.

It is assumed that the cashflow continue to grow at 3% every year after forecast period Used Gordon (constant) growth model for arriving at terminal value.

All numbers are stated in Indian Rupees-INR Crores unless other-wise stated in the Report.



Valuation Approaches

For the purpose of valuation of company, generally the following approaches are adopted:

- (a) the "Underlying Asset" approach
- (b) the "Income" approach
- (c) the "Market" approach

I have considered Income approach (for BBVPL) and Asset approach (for BBPPL) for Valuation purposes and added both values to arrive at final Valuation of BBPPL (BBPPL is the 100% Holding Company of BB Virtuals Private Limited)

1) Asset Approach

Under 'Asset' approach, the value of the company is determined by dividing the net assets of a company by the number of shares.

The Net Realizable value will be evaluated and is divided by the outstanding number of equity shares to arrive at the value per share.

This method has been applied as Cost Approach is suitable to arrive at Liquidation Value or for Asset centric companies which is deriving value from its assets. Subject Company is Holding Company and is deriving value from its subsidiary and hence this method has been used.

2) Income Approach

Under the DCF method the projected free cash flows from assets after considering fund requirements for projected capital expenditure are discounted at the weighted Average Cost of Capital (WACC). The sum of the discounted value of such free cash flows and discounted value of perpetuity is the value of the business.

This approach has been adopted for BBVPL. Modified Cost of Capital to Company has been considered as the appropriate discount rate in the DCF method, since it gives potential value of Company.

3) Market Approach

Comparable companies in this segment are identified and appropriate revenue multiple of listed comparable companies is adopted and applied to the financial parameters of the subject companies to arrive at the fair value of equity shares.

I have not considered this method to determine the value of company as there are no comparable listed companies in this segment.



Assumptions for Valuation

- I have assumed that the business continues normally without any disruptions due to statutory or other external/internal occurrences.
- The Report assumes that the Company complies fully with relevant laws and regulations applicable in all its areas of operations, and that the Company will be managed in a competent and responsible manner Further, this Report has given no consideration to matters of a legal nature including issue of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited/unaudited balance sheet of the Company. my conclusion of value assumes that the assets and liabilities of the Company, reflected in latest balance sheet remain intact as of the Report date.
- I have made certain assumptions in relation to facts, conditions or situations affecting the subject of, or approach to, this exercise that has not been verified as part of the engagement rather, treated as “a supposition taken to be true”. If any of these assumptions prove to be incorrect, then my estimate on value will need to be revised.



Procedure Adopted for Valuation

- Company has been in existence for last 4 years.
- Discussions with management were held from time to time and they expressed their future plans, projections, options to raise funding to commence new projects and shared contracts and agreements with customers.
- Historical financials of last 3.5 years of individual businesses were provided and analysed for growth and profitability. Future potential of business and capacities were discussed.
- Management certified Projections were provided to me. They were analysed with historical numbers, trend analysis performed compared with future marketing spends , product mix and human resource additions. Data provided is adequate for performing Valuation exercise. Current state of operations of the company were discussed in detail.
- No listed companies in this segment were found for comparability with subject company.
- Industry Analysis-Industry analysis shows great potential for upskilling, imparting talent to target candidates and making them Industry ready. Future outlook has been included under 'Industry Outlook' section of this Report.
- Beta has been adopted from listed companies which offer online and offline platforms for imparting specialised and basic knowledge to aspiring candidates.
- Environment-Social-Governance factors were discussed largely and found to be in compliance. No adjustment has been provided in built up cost of capital in this regard.
- Growth story of India is intact and economy is slated to grow at the rate of about 7%



Procedure Adopted for Valuation-Contd

- As company is unlisted Marketability discounts has been applied. Control premium has also been considered.
- Growth rate of 3% has been assumed for Terminal Valuation as demand for CA related course is tremendous and is reflecting in revenues.
- Modified CAPM model has been used to arrive at Cost of Equity to arrive at Cost of Capital. Company is Debt free. It is acceptable practice among Valuers and as per Valuation standards to build up discounting rate by including company specific risk premium, small company premium or lack of liquidity risk premium, country risk premium etc.
- Valuation according to popular Discounted Cash flow method under Income approach has been used for BBVPL as this is the operating company. Net Asset Value method has been used for BBPPL as it is the holding company of BBVPL. Values obtained of both the entities has been added to arrive at Final Valuation of target entity.
- Comprehensive Market data interpretation and analysis has been performed to analyze potential, ratios, key drivers etc.
- Contingent Liabilities for about 5 lakhs has been assumed.
- Plant and Machinery , Furniture and fixtures, Laptops, Software and Hardware has been stated at depreciated values and the management is confident of their highest and best use.



Valuation Workings-BB Virtuals Private Limited

Discounted cash flows of B B Virtuals Private Limited as on 31st March 2024

Particulars	FY25E	FY26E	FY27E	FY28E	INR in Cr
					Terminal Value
Revenue	69.56	83.73	90.10	102.82	
Y-o-Y growth		20%	8%	14%	
EBITDA	41.39	47.46	45.97	48.82	
Less: Taxes	-10.39	-11.92	-11.55	-12.27	
Less: Interest	-	-	-	-	
Less: Movement in Debt	-	-	-	-	
Less: Capex	-0.18	-0.05	-0.04	-0.04	
Less: Changes in Working Capital	3.25	1.13	0.96	1.33	
Free cash flows	34.07	36.62	35.34	37.85	292.71
Discounting factor-Mid point convention	0.93	0.80	0.69	0.59	0.59
Present value of cash flows	31.59	29.19	24.22	22.30	172.46

Summary of value	INR in Cr
Primary value	107.30
Terminal value (TV = $FCFn(1+g) / (Ke - g)$)*discounting factor of Fn	172.46
Add:cash and cash equivalents as on 31/03/2024	5.39
Add: Fair Value of Investment	18.63
Less: Contingent liabilities-Assumed	0.50
Less:Marketability Discounts	60.66
Enterprise value	242.63
Number of Shares	1,00,000
Value per Share (in Rs. Rounded off)	24,262.62

Assumptions for Terminal year	
COE	16.32%
Perpetuity assumptions	
Terminal growth	3.00%
Tax Rate - Company	25.17%



Valuation Workings-B B Virtuals Private Limited Contd

Cost of Capital to Equity-Adjusted CAPM Method		
Beta	0.70	Beta of listed companies in same segment
Rf	6.97%	20 year Zero Coupon Bond from Clearing Corporation of India
Rm	12.48%	Historical stock market returns in India as on 31st March 2024
Rp	5.86%	Rm-Rfr
Ke (before Size and CSRP)	10.80%	Rfr+Rp*Beta
Size Premium	3.51%	Incremental return on small cap over large cap -also Listed
CSRP	2.00%	Professional Judgement
Cost of Equity-Ke	16.32%	

Tax Rate	
Rate applicable to company based on	22.00%
Surcharge @10%	2.20%
Cess @4%	0.97%
Summation of all above	25.17%

Beta	
Beta	0.70



Valuation Workings-B B Publications Private Limited

Valuation of BB Publications Private Limited

Net Asset Value Method

Particulars	Rs in Cr
Share Capital as on 31st March 2024	1.00
Other Equity as on 31st March 2024	3.87
Net Asset Value of the company as on 31st March 2024- BB Publications Private Limited	4.87
DCF Value of BB Virtuals Private Limited	242.63
Final Valuation of BB Publications Private Limited	248
Number of shares (units)	10,000
Value per share (in Rs.)	2,47,500



Scope Limitations and Exclusions

I have relied upon the information, data, explanation and representations given to me by the Management including financial information, significant transactions and events occurring subsequent to the balance sheet date. I have assumed such representations to be reliable and my conclusions are dependent on such information being complete and accurate in all material respects.

- I have not carried out a due diligence or audit of Transaction Undertaking for the purpose of opining on the share entitlement ratio nor have I independently investigated or otherwise verified the data provided. my work was not designed to verify the accuracy or reliability of the information provided to us and nothing in this report should be taken to imply that I have conducted procedures, audits or investigations in an attempt to verify or confirm any of the information supplied to us.

- My review and analysis has been limited to the above-mentioned procedures and my analysis is subject to this limitation. My reliance and use of this information provided by the management should not be constructed as expression of my opinion on it and I do not and will not accept any responsibility or liability for any inaccuracy in it.

- The exercise of valuation is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single share entitlement ratio. While I have provided my opinion of the Share Entitlement Ratio based on the information available to us and within the scope and constraints of my engagement, others may have a different opinion as to the same.

- This Report is furnished solely for purpose of arriving at Fair Value for Proposed Sale of shares. The Company shall not use this report for any other purpose other than stated above. This valuation report is valid only as on the Valuation date.

- I have not independently verified unaudited financial statement provided by the management of the subject Company. My work does not constitute an audit or certification of the historical / provisional financial statements of the company relied on hereunder. Accordingly, I am unable to and do not express any opinion on the accuracy of any financial information and assumption relied on for preparation of projected financial statement of the Company. I assume no responsibility for any errors in the information submitted by the management and their impact on the present exercise.



Notice

- My work does not constitute an audit or certification of the subject Company's financial. Accordingly, I am unable to and do not express any opinion on the accuracy of information referred to in this report. I assume no responsibility for any errors in the information submitted by the management and their impact on the present exercise.
- This Valuation report is issued on the understanding that the subject Company has drawn my attention to all the relevant matters, of which it was aware, concerning the Company's financial projection and business which may have an impact on my Report.
- The fee for the engagement is not contingent upon the results reported.
- I am an eligible Registered Valuer as per Rule 3 of Registered Valuer and Valuation Rules registered with ICAIRVO (Institute of Chartered Accountants of India-Registered Valuer)
- Neither of my employees nor myself have any financial interest in the company.
- A valuation of this 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 I do not assume any obligation to update, revise or reaffirm this report.
- I 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.
- In the absence of a statement to the contrary, I have assumed that no hazardous conditions or materials exist which could affect the subject business or the assets. I am not qualified to establish the absence of such conditions or materials, nor do I assume the responsibility for discovering the same. my valuation takes no such liabilities into account, except as they have been reported to the RV by the client or by an environmental consultant of the client, and then only to the extent that the liability was reported to us in an actual or estimated amount.



Notice

- The valuation of company 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 no indisputable single value and the estimate of the value is normally expressed as falling within a likely range.
- I consider the valuation to be reasonable based on the information available, others may place a different value.
- The actual market price achieved may be higher or lower than my estimate of value (or 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 actual market price achieved. Accordingly, my valuation conclusion will not necessarily be the price at which actual transaction will take place.
- Where I have relied on data, opinions or estimates from external sources (believe it to be reliable), 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. No procedures have been performed to verify accuracy and completeness of information
- My responsibility is only to the authority/client that has appointed me under the terms of the engagement letters. I 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 I be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the client or company, their directors, employees or agents.



Valuer Credentials

Vandana Sankhala

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Registered Valuer

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