

Valuation of Equity Shares of S J Corporation Limited for compliance with Regulation 165 - SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended by Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022.

January 30, 2026

Nitish Chaturvedi

Registered Valuer - Securities or Financial Assets

IBBI/RV/03/2020/12916

January 30, 2026

To,

Board of Directors

S J Corporation Limited

201, Shyam Bungalow, Plot No. 199/200, Pushpa

Colony, Fatimadevi School Lane, Manchubhai

Road, Malad East,

Mumbai, Maharashtra, India, 400097

Dear Sir,

Sub: Valuation of Equity Shares of S J Corporation Limited

S J Corporation Limited ("SJCL" or "the Company") intends to issue Equity Shares to its proposed investors in compliance with applicable laws.

In this regard, Nitish Chaturvedi, Registered Valuer with IBBI Registration No. IBBI/RV/03/2020/12916 ('Nitish Chaturvedi' or 'Independent Valuer') has been appointed to determine fair value of equity shares of S J Corporation Limited for compliance with Section 62(1)(c) of the Companies Act, 2013 (as amended) read with Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014, and Regulation 160 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for a Preferential Allotment as per in accordance with Regulations 166(A) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022 vide Notification No. SEBI/LAD-NRO/GN/2022/63 ('Valuation Purpose').

The relevant date, as informed to us by the Management of S J Corporation Limited ('the Management'), for the purpose of calculation of the price per share under the SEBI ICDR Regulations for issuance of equity shares is January 30, 2025 ('Relevant Date'). The Valuation Date as informed to us by the Management for computation of equity value per share of S J Corporation Limited is as on close of trading hours of the date preceding the relevant date i.e. January 29, 2025 ('Valuation Date').

This Report is structured under the following broad heads:

- Background
- Information sources
- Valuation Standards followed and Procedure adopted for Valuation
- Valuation Methodology
- Valuation Analysis and Conclusion
- Scope Limitation
- Annexures



COMPANY BACKGROUND

SJ Corporation Limited is an Indian publicly-listed company engaged primarily in the manufacturing, trading, and export of high-end diamond-studded jewellery and polished diamonds. It was originally incorporated in 1981 and later renamed SJ Corporation Limited in October 2007 after a change from its former name Corcomp Infosystems Limited as the business shifted focus to the gems and jewellery sector. The company's core operations include sourcing, designing, cutting, polishing, and finishing of diamond jewellery, along with trading activities involving natural rough and polished diamonds, gems, pearls, precious and semi-precious stones. It also has involvement in real estate development.

- Equity shares of S J Corporation Limited are listed on Bombay Stock Exchange
- The shareholding pattern of S J Corporation Limited as of January 29, 2026 is as under:

Particulars	No. of shares	% Shareholding
Promoter & Promoter Group	59,20,000	70.86%
Public	24,35,000	29.14%
Total	83,55,000	100.00%



INFORMATION SOURCES

We have relied on the following sources of information and documents as provided to us by the Management of S J Corporation Limited ('the Management') and available in public domain:

- Provisional Financial Statement for the period ended September 30, 2025.
- Other relevant publicly available data;
- Our regular discussions with management representatives of S J Corporation Limited;
- We have also relied on published and secondary sources of data whether or not made available by the Company.

VALUATION STANDARDS FOLLOWED AND PROCEDURES ADOPTED FOR VALUATION

- We have performed the valuation analysis, to the extent possible, in accordance with International Valuation Standards (hereinafter referred as "IVS").
- In connection with this exercise, we have adopted the following procedures to carry out the valuation analysis:
 - Requested and received relevant data from the Management
 - Discussions with the Management on understanding of the business of the Company
 - Obtained and analysed data available in public domain, as considered relevant by us
 - Obtained and analysed market prices and other data involving equity shares of S J Corporation Limited and of comparable companies, as applicable and relevant
 - Selection of valuation approach and valuation methodology in accordance with (IVS), as considered appropriate and relevant by us
 - Determination of value per equity share of S J Corporation Limited, as relevant
 - Preparation and issuance of this valuation report.



VALUATION APPROACHES AND METHODOLOGIES

- For the purpose of valuation, it is necessary to select an appropriate basis of valuation amongst the various valuation techniques. It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. The application of any particular method of valuation depends upon various factors including the size of company, nature of its business and purpose of valuation. Further, the concept of valuation is all about the price at which a transaction takes place i.e., the price at which seller is willing to sell and buyer is willing to buy. Accordingly, a fair and reasonable approach for valuing the shares of the company is to use a combination of relevant and applicable valuation methods.
- IVS 301 read with IVS 103 specifies that generally the following three approaches for valuation of business / business ownership interest are used:
 - Cost/Asset Approach
 - Market Approach
 - Income Approach

Cost Approach – Net Asset Value (NAV) method

- The value under cost approach is determined based on the underlying value of the assets which could be on book value basis, replacement cost basis or on the basis of realizable value. Under NAV method, total value of the business is based either on net asset value or realizable value or replacement cost basis. NAV methodology is most applicable for the business where the value lies in the underlying assets and not the ongoing operations of the business. NAV method does not capture the future earning capacity of the business. Given the nature and specifics of the business, we have considered the Net Asset Value method.
- We have been informed by the Management that the report date as per the SEBI ICDR Regulations, for the purpose of calculation of the price per share of S J Corporation Limited for the proposed preferential issue of shares is December 8, 2025. Since the latest financial data available is till September 30, 2025, we have considered the same for our valuation purposes.



Income Approach – Discounted Cash Flows (DCF) method

- Under the Income Approach, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalization. DCF Method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. FCFF or free cash flows to the firm ("FCFF") represents the cash available for distribution to both the owners and the creditors of the business. Risk-adjusted discount rate or Weighted Average Cost of Capital ("WACC") is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & bank balance and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the company.
- Valuation of equity shares of the Company is based on the projected financial information as provided to me by the Management.
- As per DCF Method, value is defined as the present value of future cash flows that are expected to be generated by the business during an explicit forecast period and in perpetuity. The method incorporates all factors relevant to an asset (e.g. current and future market conditions, company and industry specific risk factors, etc.)
- Management has provided with cash flow projections till FY 2029-30 which as per management is a representative time frame of a business cycle of the Company.
- To estimate the fair value of the business, projected cash flows generated from the business are analysed for certain future years (explicit forecast period). The estimates of cash flows during the explicit forecast period are based on the income and expenses associated with the business operations.
- Profit after tax is adjusted for depreciation, capex and working capital investment to arrive at the free cash flows to equity (FCFEs) during the explicit forecast period.
- I have discounted the post-tax, free cash flows to the firm with an appropriate risk-adjusted discount rate to arrive at the present value (PV) of FCFEs.
- For Calculation of Cost of Equity, I have used risk free rate as Yield of 10 Yr. Indian Govt. Securities as on date of valuation.



- Market Return is estimated by using BSE Since Inception Index as on valuation date (Source: BSE 500 Data).
- The beta is arrived using Relevered Beta of the comparable companies in the similar sector.
- Company specific risk is considered on account of lack of liquidity, size and cash flow risks.
- The terminal growth rate is the rate at which the cash flows of the company are expected to increase beyond the explicit forecast period and intermediate period, till infinity. A terminal growth rate of 4% has been considered.
- We have adjusted PV of Free cash flow with certain items like investments and cash and cash equivalents to arrive at the equity value of the Company as on September 30, 2025. Further, we have made stub period adjustments to arrive at the equity value of the Company as on January 29, 2026.



Market Approach – Market Price method

- Under the Market Price method, the market price of an equity share as quoted on a recognized Stock Exchange is normally considered as the value of the equity shares of that company, where such quotations are arising from the shares being regularly and frequently traded. Generally, market value is reflective of the investors' perception about the actual worth of the company. However, in certain situations, the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. We understand that the shares are not traded in BSE Limited in last 240 days.

In terms of Regulation 166A of the SEBI ICDR Regulations,

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 premium, 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.

(2) Any preferential issue, which may result in a change in control of the issuer, shall only be made pursuant to a reasoned recommendation from a committee of independent directors of the issuer after considering all the aspects relating to the preferential issue including pricing, and the voting pattern of the said committee's meeting shall be disclosed in the notice calling the general meeting of shareholders.



Regulations 164 for frequently traded shares states the following:

In terms of Regulation 164 (1) of Part IV of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (ICDR Regulations), if the equity shares of the issuer have been listed on a recognised 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 higher of the following:

- a) the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or
- b) the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the 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.”

(2) If the equity shares of the issuer have been listed on a recognized stock exchange for a period of less than 90 trading days 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 price at which equity shares were issued by the issuer in its initial public offer or the value per share arrived at in a scheme of compromise, arrangement and amalgamation sections 230 to 234 the Companies Act, 2013, as applicable, pursuant to which the equity shares of the issuer were listed, as the case maybe; or
- b) the volume weighted average prices of the related equity shares quoted on the recognized stock exchange during the period the equity shares have been listed preceding the relevant date; or
- c) the volume weighted average prices of the related equity shares quoted on a recognized stock exchange during the 10 trading days preceding the relevant date.

Regulation 165 of ICDR Regulations shall continue to apply in case of infrequently traded shares:

(Explanation: The pricing in case of infrequently traded shares as per regulation 165 of the ICDR Regulation is determined by the issuer taking into account valuation parameters such as book value, comparable trading multiples, and other such customary parameters for valuation, and such valuation is required to be certified by independent valuer).

Since, S J Corporation Limited is a listed company and equity shares of S J Corporation Limited are listed on BSE and are infrequently traded, therefore we have not considered the Market Price Method to determine the value of equity shares of S J Corporation Limited.



Market Approach – Comparable Companies' Multiple (CCM) method

- Under CCM Method, the value of shares of the subject company is determined on the basis of multiples derived from valuations of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. The Comparable Companies' Multiple Method arrives at the value of the company by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences, such as growth potential, past track record, size, company dynamics, etc.
- We have made adjustment to the multiples considering the factors like illiquidity, size of the company.
- We have applied the size-adjusted P/E Multiple the Last Twelve Months PAT to arrive at the equity value of the Company.
- We have applied the size adjusted EV/EBITDA Multiple to the Last Twelve Months EBITDA to arrive at the Enterprise value of the Company and further made appropriate adjustments to the Enterprise Value for cash and cash equivalents, investments and debt to arrive at the equity value of the Company.
- We have assigned equal weights to the value determined from both the multiples to arrive at the value per share as per Comparable Companies Method.
- Management has confirmed to us that there are zero listed comparable companies appropriate to the business profile, size, etc. of the Company. We have therefore considered CCM method for the said Valuation.

For arriving at the value per equity share of S J Corporation Limited and considering valuation inputs available for determining valuation under Net Assets Value Method (NAV), Discounted Cash Flow Method ('DCF') and Comparable Companies method (CCM), we have applied 33% weights to each method to arrive at the value per equity share of S J Corporation Limited.



SCOPE LIMITATIONS AND DISCLAIMERS

- Valuation analysis and results are specific to the purpose of valuation mentioned in this report as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date.
- We owe responsibility to only the management of the client that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this valuation report. Our valuation report cannot be used for any other purpose. This report has been prepared only for the sole use and information of S J Corporation Limited. Without limiting the foregoing, we understand that S J Corporation Limited may be required to submit this report to the regulatory authorities / stock exchanges in connection with the Proposed Transaction.
- Our analysis is based on the market conditions and the regulatory environment that currently exists. However, changes to the same in the future could impact the company and the industry it operates in, which may impact our valuation analysis.
- We are not responsible for updating this report because of any events or transactions occurring subsequent to the date of this report.
- We have considered and relied on the information provided to us by the Management including financial information, significant transactions and events occurring subsequent to the balance sheet date. We understand that the information provided to us and the representations made to us (whether verbal or written) are reliable and adequate. We have derived our conclusions and recommendation from the information so provided and we are thus reliant on the given information to be complete and accurate in every significant aspect. We are made to believe that the Management have informed us about all material transactions, events or any other relevant factors which are likely to have an impact on our valuation recommendation.
- In the ultimate analysis, valuation will have to capture the exercise of judicious discretion by the Valuer and judgment taking into account all the relevant factors. There will always be several factors which are not evident from the face of the financial statements, but which will strongly influence the worth of a share. Examples of such factors include quality and integrity of the management, capital adequacy, asset quality, earnings, liquidity, size, present and prospective competition, yield on comparable securities and market sentiment, etc. This concept is also recognized in judicial decisions.
- This Report does not look into the business / commercial reasons behind the transaction. We have no present or planned future interest in the company and the fee for this engagement is not contingent upon the values reported herein. Our valuation analysis should not be construed as an investment advice. We do not express any opinion on the suitability or otherwise of entering into any transaction with the Company.
- Any discrepancies in any annexure between the total and the sums of the amounts listed are due to rounding-off.

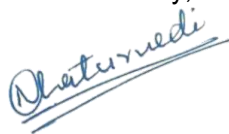


VALUATION ANALYSIS AND CONCLUSION

- The value per equity share of S J Corporation Limited is based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations. We have independently applied methods discussed above, as considered appropriate, i.e., Net Assets Value Method (NAV), Discounted Cash Flow Method ('DCF') and Comparable Companies Method (CCM) for determining value per share of the Company.
- In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this Report for the proposed transaction, in our opinion, we recommend the fair value of equity shares of S J Corporation Limited at **INR 12/- per equity share**.

Approach	Method	Equity Value	Value Per Share	Weights	Weighted Value Per Share	Weighted Equity Value
Cost Approach	NAV	870.21	10.42	33%	3.47	290.13
Market Approach	CCM	261.17	3.13	33%	1.04	87.05
Income Approach	DCF	1,752.46	22.40	33%	7.46	584.10
Weighted Value Per Share				100%	11.98	961.27
Rounded Off					12.00	961.30

Yours faithfully,



Nitish Chaturvedi

Registered Valuer- Securities or Financial Assets

IBBI ID: IBBI/RV/03/2020/12916

Date: January 30, 2026

Place: Mumbai

Enclosed:

Annexure I: Determination of value per equity shares of S J Corporation Limited using Net Asset Value method;

Annexure II: Determination of value per equity shares of S J Corporation Limited using Discounted Cash Flow method; &

Annexure III: Determination of value per equity shares of S J Corporation Limited using Comparable Companies Method

Annexure I – Determination of value of equity shares of S J Corporation Limited using Net Asset Value method

The value of equity shares of S J Corporation Limited using Book Value method is **INR 10.42 per equity share.**

(INR in Lakhs)

Particulars	Book Value	Fair Value
Assets		
Non-Current Assets		
(a) Property, plant and equipment		
(i) Moveable	36.18	36.18
(b) Financial assets		
(i) Investments in Subsidiary/JV/Associate	263.41	263.41
(ii) Deferred tax assets (net)	8.79	8.79
(c) Other non-current assets	3.72	3.72
Other Non-Operating Assets		
Total Non-Current Assets	312.1	312.1
Current Assets		
(a) Inventories	202.46	202.46
(b) Financial Assets		
(i) Cash and cash equivalents	15.22	15.22
(ii) Current tax assets (net)	7.24	7.24
(c) Other current assets	336.56	336.56
Total Current Assets	561.48	561.48
Total Assets (A)	873.58	873.58
Liabilities		
Non-Current Liabilities		
Total Non-Current Liabilities		
Current Liabilities		
(a) Financial Liabilities		
(b) Other current liabilities	3.37	3.37
Total Current Liabilities	3.37	3.37
Total Liabilities (B)	3.37	3.37
Net Asset Value (A-B)	870.21	870.21
No. Of Shares	83,55,000	83,55,000
Value Per Share (INR)	10.42	10.42



Annexure II - Determination of value of equity shares of S J Corporation Limited using Discounted Cash Flow method

The value of equity shares of S J Corporation Limited using Discounted Cash Flow method is **INR 22.40 per equity share.**

(INR in Lakhs)

Particulars	1.10.2025 to 31.3.2026	FY27	FY28	FY29	FY30	Terminal Period
PAT	163.24	355.61	679.86	1,104.09	1,724.73	
Add: Depreciation	64.29	136.27	204.81	279.52	364.40	
Add/Less: Changes in Non-Cash working Capital	(755.55)	(207.83)	(260.81)	(329.16)	(427.37)	
Less: Capex	(436.98)	(506.26)	(593.20)	(702.92)	(845.37)	
Less: Changes in Borrowings	2,635.85	(584.44)	(571.60)	(480.28)	(448.84)	
Free Cash Flow to Firm	1,670.85	-806.65	-540.95	-128.75	367.56	2,021.48
Full Period	0.50	1.50	2.50	3.50	4.50	4.50
Discounting Factor	0.90	0.73	0.60	0.49	0.40	0.40
Discounted Cash Flows	1,507.10	-591.97	-322.99	-62.54	145.27	798.97

Particulars	Amount (INR Lakhs)
Sum of Discounted Cash Flows	1,467.85
Add: Cash & Cash Equivalents	15.22
Add: Current Investment	263.41
Equity Value as on 30-09-2025	1,752.46
Add: Stub Period	118.80
Equity Value as on 08-12-2025	1,871.27
No. of Shares	8,355,000
Value Per share (INR)	22.40

Calculation of Cost of Equity	
Risk Free Rate	6.70%
Market Return	7.52%
Beta	0.56
Cost of Equity	10.91%
Add: Company Specific Risk Premium	12.00%
Adjusted Cost of Equity	22.91%



Annexure III - Determination of value of equity shares of S J Corporation Limited using Comparable Companies Method

	Amount in INR (Lakhs)
Particulars	Median
P/E Ratio	
Profit after Taxes (TTM)	13.82
P/E Ratio of Peers (x)	16.74
Fair Value of Equity	231.31
EV/EBITDA	
EBITDA (TTM)	28.23
EV/EBITDA (x)	9.77
Enterprise Value	275.81
Less: Value of Debt	0
Add: Cash and cash equivalent	15.22
Value of Equity	291.03
Average value of Equity	261.17
No. of Shares	83,55,000
Fair Value per Share (INR)	3.13

