

**Factory & Corporate Office :**

Kantharia Industrial Estate,
Survey No.: 90/3/2/B, Opp. Sopara Phata Police Station, At & Post-Pelhar,
N. H. No.8, Taluka - Vasai, Dist-Palghar, Pin: 401208.
CIN: L74140MH2010PLC205904
Phone: +91 8087042862

**CORRIGENDUM TO THE NOTICE OF THE EXTRA ORDINARY GENERAL MEETING**

Naman In-Store (India) Limited (“Company”) has issued a notice dated 19th August 2024 (“Notice of EGM”) for convening the Extra Ordinary General Meeting of the members of the Company, which is scheduled to be held on Thursday, 12th September 2024 at 11:30 A.M. IST through Video Conferencing (VC) / Other Audio Visual Means (OAVM). The Notice of EGM was dispatched to the Shareholders of the Company on 19th August 2024 electronically, in due compliance with the provisions of the Companies Act, 2013, as amended, and the rules made thereunder (the “Companies Act”), read with circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India (“SEBI”), to transact the business stated therein.

This Corrigendum to the Notice of EGM (“Corrigendum”) is issued in respect of the revision/modification in the valuation report of the Independent Registered Valuer and consequent revision/modification paragraph (d) under Explanatory Statement under “Item No. 2” of the Explanatory Statement to the Notice of EGM, to provide certain clarifications pursuant to the suggestions / comments received from National Stock Exchange of India Limited:

1. Under explanatory statement of “Item No. 2”, point (d) should be read as follows:**d. Basis or justification on which the price (including premium, if any) has been arrived at along with the report of the registered valuer:**

In terms of Regulation 166A of ICDR Regulations, the Company may issue & allot Equity Shares more than five percent of the post issue fully diluted share capital of the Company. Hence the Company has obtained the Valuation Report (including Revised Valuation Report) from the Independent Registered Valuer FCA Payal Gada, having Registration no. IBBI/RV/06/2019/11170 under the Securities or Financial Assets category. As per the Valuation Report, the floor price per equity share of the Company is Rs. 138.99/- the copy of the Valuation Report (including Revised Valuation Report) is available on the website of the Company at <https://www.namaninstore.com/investor.php>.

In terms of the ICDR Regulations, the floor price at which the Equity Shares can be issued is Rs. 138.99/- per Equity Share, as per the pricing formula prescribed under the ICDR Regulations for the Preferential Issue and is the highest of the following:

- a) 90 (ninety) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. Rs. 119.92/- per equity share.
- b) 10 (ten) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. Rs. 138.99/- per equity share.
- c) Floor price determined in accordance with the provisions of the articles of association of the

Company. However, the articles of association of the Company do not provide for any method of determination for valuation of shares which results in a floor price higher than determined price pursuant to ICDR Regulations.

The price per Equity Share to be issued pursuant to the Preferential Issue is fixed at Rs. 139/- (Rupees One Hundred Thirty-Nine only) per Equity Share, being a price that is not less than the floor price computed in accordance with Chapter V of the ICDR Regulations.

The revised Valuation Report contains the following changes:

- **On page no. 19 of the Valuation Report** - The following paragraph/rationale has been inserted in Comparable Companies Multiple / Guideline Company method (Market Approach):
"We have applied a discount of 33.33% to the average PE multiple of comps (which are based on the broader Furniture / Plywood industry in which the Company operates) to adjust the differences on account of the small size (in terms of Turnover), brand value, nature of products, customization of products facilitation, products only for commercial display coupled with less marketability on account of its recent listing on SME Emerge platform."
- **On page no. 20 of the Valuation Report - Annexure B (i) - Computation of Price to Earnings Multiple has been replaced by the following table:**

<u>Annexure B(i) - Computation of Price-to Earnings Multiple</u>				
<u>Guideline Companies</u>	<u>Remarks</u>	<u>Market Price on NSE (#)</u>	<u>TTM EPS (##)</u>	<u>Price-to Earnings Multiple</u>
Archidply Décor Limited	Outlier, hence ignored	95.99	0.49	195.90
Nilkamal Limited	Inlier, hence considered	1823.45	72.44	25.17
Green panel Industries Limited	Inlier, hence considered	353.05	11.64	30.03
Rushil Décor Limited	Inlier, hence considered	34.30	1.58	21.71
Century Plyboards Limited	Outlier, hence ignored	719.25	12.33	58.33
Average Multiple of Comps				25.64
(#) Source : NSE				
(##) Source: Moneycontrol.com				

- **In page no. 21 of the Valuation Report** - The following para has been inserted in the Capitalization

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of Earnings Method (Income Approach):

"We have applied a Capitalisation ("cap") rate of 5.85%, which is computed as the inverse of the average PE multiple of Comps; i.e. 1/17.09. We have applied the cap rate of 5.85% to the average PAT for the years ended 31.03.24 and 31.03.23, as we understand, the same represents maintainable future earnings of the Company.

We have applied the cap rate to the average maintainable profits to capture the earnings, which the Company is expected to maintain in the future."

- The point relating to Discounted Cash Flows (DCF) Method (Income Approach) has been removed from the revised valuation report, as the valuer has adopted the Capitalization of earnings ("PECV") method (Income Approach), which captures its value based on earnings potential and return on capital employed (proxy to DCF method). Hence the points relating to the DCF Method have been removed in the revised Valuation Report.

- ***On page no. 24 of the Valuation Report in Valuation Analysis, the following paragraphs have been inserted/replaced:***

We have applied equal weightage of 33.33%, each, to the value of INR 138.99 per share, computed using the Market Price method under Market Approach, as per the applicable ICDR Regulations (which is higher for 10 days price of INR 138.99 per share vs 90 days price of INR 119.92 per share) and to the value of INR 150.24 per share using the CCM method, given the fact that the Company is recently listed for 90 days only, and as such the market price of 10 days, cannot by itself, be representative of its the fair market value and to capture in the overall market sentiment of mature comparable cos operating in We have applied 33.34% to the value determined using the Capitalisation of earnings ("PECV) method under the Income approach, to capture the earnings potential of the Company which is based on internal factors, such as the future economic benefits that the company can generate for a business owner (or investor) and to capture its value based on true earnings potential and economic benefits for a representative single period.

We have applied balance 0% weight to the value computed using the ANAV method under the Asset approach, as the asset values reflected in books of accounts do not represent value of earnings potential of the Company's business, the Company's assets base does not exceed its earnings capability and also that it ignores the future return the assets can produce and does not reflect how much the business is worth to someone who may buy or invest in the business as a going concern. The Net Asset Value generally serves as a broad benchmark of the minimum break-up value for any business. Further, NAV method is mainly used when maintainable profit of the entity cannot be estimated accurately or is more suitable for cases where the firm is to be liquidated i.e., it does not meet the "going concern" criteria, which is not the case with the Issuer Company, the industry, such that the aggregate weight of 66.67% (higher weight) is applied to the Market Approach.



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Members are requested to kindly take note of the aforesaid amendments in the notice and Valuation Report and the corresponding corrections before casting their votes.

This corrigendum shall form an integral part of the Notice of EGM which has already been circulated to shareholders of the Company and always be read in conjunction with this corrigendum. This corrigendum is made available on the website of the stock exchange i.e. National Stock Exchange India Limited ("NSE") and on the website of the Company at (www.namaninstore.com/investor.php). All other contents of the Notice of EGM, save and except as modified or supplemented by the Corrigendum, shall remain unchanged.

For and Behalf of Naman In-Store (India) Limited

Ritik Sunil Madnani
Company Secretary and Compliance Officer
Membership No. A72750