

VALUATION REPORT

**REPORT ON VALUE OF
EQUITY SHARES OF
DYNEMIC PRODUCTS LIMITED**



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Summary Report

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|---|---------------------------------|
| 1. Date of Valuation | : 10 th August, 2023 |
| 2. Date of appointment | : 01 st August, 2023 |
| 3. Date of submission of the Valuation Report | : 14 th August, 2023 |

The said valuation assignment has been conducted for the purpose of computing the Value per Equity Shares of Dynemic Products Limited (herein after referred to as "**DPL**") for the purpose to estimate the fair value for further issuance of equity shares and convertible equity warrants to the promoter/ promoter group and non-promoter investors pursuant to Section 42 and Section 62(1)(c) of the Companies Act 2013 read with rule 13(2)(g) of Companies (Share Capital and Debentures) Rules, 2014 and in accordance with the 'Chapter V - Preferential Issue' of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**'SEBI (ICDR) Regulations 2018'**) and the valuation guidelines stipulated under International Valuation standards.

The Value per Equity Share ascertained by us is **Rs. 297 per share**.

For and on behalf of

(Sejal Ronak Agrawal)

IBBI/RV/06/2020/13106

M No: 141498

Regd. Valuer – Securities & Financial Assets

UDIN: 23141498BGSGUT9368





Executive Summary:

Client	Dynemic Products Limited
Corporate Identification Number (CIN)	L24100GJ1990PLC013886
Valuation Date	10 th August, 2023
Date of Report	14 th August, 2023
Appointed Date	01 st August, 2023
Purpose of Valuation	Fresh issue equity shares and convertible equity warrants on preferential basis to the promoter /promoter group and non-promoter investors in pursuance to Section 42 and Section 62(1)(c) of the Companies Act 2013 read with rule 13(2)(g) of Companies (Share Capital and Debentures) Rules, 2014 and in accordance with the 'Chapter V - Preferential Issue' of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('SEBI (ICDR) Regulations 2018')
Base of Valuation	Fair Value ICAI Valuation Standards" (IVS) 102
Premise of Valuation	Going Concern ICAI Valuation Standards" (IVS) 102
Method for Valuation	Discounted cash flow, Net Asset and Market Price
Value Variation from Standard Assumptions	None
Special Assumptions	None
Capacity & Status of Valuer	External- Sejal Agrawal (RV-S&FA)
Independence	The total fees, including the fee for this assignment earned from the instructing party are less than 5.0% of our total annual revenues.
Standards Utilized	ICAI Valuation Standard





Introduction

Background Information:

CIN	L24100GJ1990PLC013886
Company Name	DYNEMIC PRODUCTS LIMITED
ROC Code	RoC-Ahmedabad
Registration Number	013886
Company Category	Company limited by Shares
Company Sub Category	Non-govt company
Class of Company	Public
Authorised Capital (Rs)	13,00,00,000
Paid up Capital (Rs)	11,67,83,870
Date of Incorporation	14/06/1990
Registered Address	B-301, satyamev complex-1 gandhinagar-sarkhej highway road opp-new gujarat high court,sola. Ahmedabad.380 063 gj 000000 in





The Board of Directors of the company as on valuation date are as follows: -

Director Details

Directors/Signatory Details

DIN	Name	Begin Date
00037568	Rameshkumar Bhagwandas Patel	14/06/1990
00037826	Jagdish Sevantilal Shah	07/06/2004
00045845	Bhagwandas Kalidas Patel	14/06/1990
00045883	Dixit Bhagwandas Patel	01/01/2008
00388204	Shankarlal Baluram Mundra	29/09/2005
06976600	Rashmi Kamlesh Otavani	14/02/2015

Shareholding Pattern:

Share Holding Details of the company as on June 30, 2023.

Category of shareholder	No. of shareholders	No. of Equity Shares	% of Shareholding
(A) Promoter & Promoter Group	19	35,39,229	30.31
(B) Public	15,739	81,39,158	69.69
Grand Total	15,758	1,16,78,387	100.00





Caveats, Limitations and Disclaimers

i. Restriction on use of Valuation Report

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

ii. Responsibility of RV

We owe responsibility only to the client that has appointed us under the terms of the engagement letters. We 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 we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents.

iii. Accuracy of Information

While our 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 clients existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

iv. Achievability of the forecast results

We do not provide assurance on the achievability of the results forecast by the management as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected as the achievement of the forecast results is dependent on actions, plans and assumptions of management.

v. Post Valuation Date Events

The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.

vi. Reliance on the representations of the clients, their management and other third parties

The client and its management warranted to us 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 clients, their management and other third parties concerning the financial data, operational data and maintenance schedule of all plant-machinery-equipment-tools-vehicles, real estate investments and any other investments in tangible assets except as specifically stated to the contrary in the report. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the companies, their directors, employee or agents.





vii. No procedure performed to corroborate information taken from reliable external sources

We have relied on data from external sources also 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 or reproduced in its proper form and context.

viii. Compliance with relevant laws

The report assumes that the company complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not reflected in the balance sheet provided to us.

ix. Multiple factors affecting the Valuation Report

The valuation report is tempered by the exercise of judicious discretion by the RV, taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.

x. Future services including but not limited to Testimony or attendance in courts/ tribunals/ authorities for the opinion of value in the Valuation Report

We are fully aware that based on the opinion of value expressed in this report, we may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and our tendering evidence before such authority shall be under the applicable laws.



Purpose of the Report

This valuation is done for the purpose of determining the value per equity share for issue of fresh equity shares and convertible equity warrants by way of preferential Allotment to the promoter/promoter group and non-promoter investors in pursuance to compliance with the provisions of Section 42 and Section 62(1)(c) of the Companies Act 2013 read with rule 13(2)(g) of Companies (Share Capital and Debentures) Rules, 2014 and in accordance with the 'Chapter V - Preferential Issue' of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('SEBI (ICDR) Regulations 2018') and the valuation guidelines stipulated under International Valuation standards.

- The company is looking to assess its fair value for the proposed issue of equity shares in accordance with Regulations 164 and 166A of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018 ("ICDR") using latest available Audited Auditor's Report on Financial Results as on 31st March, 2023 for Preferential Allotment of equity shares and convertible equity warrants.
- There is no change in control, however, Allotment to the Proposed allottees is more than five than five percent of the post issue fully diluted share capital of the issue, therefore, the pricing of equity shares of the company shall be determined in accordance with the valuation report of independent valuer as per Regulations 166A of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018
- The equity shares of the company have frequently traded on both stock exchanges on BSE and NSE both. However, total Volume traded is more on NSE, thus we have considered NSE for calculation of price.
- The relevant extract of the regulation 164 and 166A are as under:

Regulation 164: Pricing of frequently traded shares

1. *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 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 recognised 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 under sections 230 to 234 the Companies Act, 2013, as applicable, pursuant to which the equity shares of the issuer were listed, as the case may be; or*
 - (b) *the average of the volume weighted average prices of the related equity shares quoted on the recognised stock exchange during the period the equity shares have been listed preceding the relevant date; or*
 - (c) *the average of the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks 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.

3. *Where the price of the equity shares is determined in terms of sub-regulation (2), such price shall be recomputed by the issuer on completion of 90 trading days from the date of listing on a recognised stock exchange with reference to the 90 trading days volume weighted average prices of the related equity shares quoted on the recognised stock exchange during these 90 trading days and if such recomputed price is higher than the price paid on allotment, the difference shall be paid by the allottees to the issuer.*

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.

4. (a) *A preferential issue of specified securities to qualified institutional buyers, not exceeding five in number, shall be made at a price not less than the 10 trading days*





volume weighted average prices of the related equity shares quoted on a recognised 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:

(b) no allotment shall be made, either directly or indirectly, to any qualified institutional buyer who is a promoter or any person related to the promoters of the issuer: Provided that a qualified institutional buyer who does not hold any shares in the issuer and who has acquired rights in the capacity of a lender shall not be deemed to be a person related to the promoters. Explanation. —For the purpose of this clause, a qualified institutional buyer who has any of the following rights shall be deemed to be a person related to the promoters of the issuer :-

(a) rights under a shareholder's agreement or voting agreement entered into with promoters or promoter group;

(b) veto rights; or

(c) right to appoint any nominee director on the board of the issuer.

5. For the purpose of this Chapter, "frequently traded shares" means the shares of the issuer, in which the traded turnover on any recognised 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.

Explanation: For the purpose of this regulation, 'stock exchange' means any of the recognised 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.

Regulation 166A: Change in control of more than 5%

(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:

Keeping in the view of above regulations: -

- *The equity shares have not been traded on the metropolitan stock exchange from 240 trading days preceding the relevant date, therefore Market Value of the equity shares taken as Zero as on the relevant date.*
- *There is no change in control, however, the allotment to the proposed allottee is more than five percent of the post issue fully diluted share capital of the issuer*

The Companies Act, 2013

Relevant Extract of Section 62: Further issue of share capital

(1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.

Scope of Work and Bases of Valuation

- Registered Valuer has been appointed by Board to issue a report on the likely valuation of equity shares. I understand that the purpose of the said report is to determine the Fair Market Value of quoted equity shares of the company.
- Registered Valuer to value the company as per Valuation rules under the Companies Act 2013.
- The value is to be determined with reference to the valuation date, which is Report date.

Appointing Authority

Management of DPL appointed Sejal Agrawal (Registered Valuer cum Chartered Accountant) for valuation of Equity Shares.

Disclosure of Registered Valuer Interest

I have no present or prospective contemplated financial interest in DPL nor any personal interest with respect to the Promoters & Board of Directors of DPL. I have no bias/prejudice with respect to any matter that is the subject of the valuation report or to the parties involved with this engagement.

My professional fee for this valuation is based upon my normal billing rates, and not contingent upon the results or the value of the business or in any other manner.





Basis and Premise of Valuation

As per ICAI Valuation Standards 102, Valuation base means the indication of the type of value being used in an engagement. Different valuation bases may lead to different conclusions of value. Therefore, it is important for the valuer to identify the bases of value pertinent to the engagement. This Standard defines the following valuation bases: Fair value, Participant specific value and Liquidation value.

As the Firm is ongoing concern basis, RV has decided to choose Fair Value as base of valuation. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.

Premise of Value refers to the conditions and circumstances how an asset is deployed. This valuation is performed on the premise that the Firm will continue to operate as a going concern. IVS 102 defines 'going concern value' as "the value of a business enterprise that is expected to continue to operate in the future."

Source of Information

- Audited financial statements of the company for F.Y. 2022-23.
- Projected financial statements of the company for next 5 years i.e. for March 2024 to March 2028.
- A signed management representation letter dated **01st August, 2023** stating the projections are based on best estimates and judgment of the management.
- Data extracted from publicly available sources believed to be reliable and true i.e. Money control, BSE, NSE and The Economic Times.
- Copy of company profile including the details about business of the company and the product ranges by the company.

Valuation Methodology and Approaches

In valuing the shares of the company, we need to perform the following steps:

1. Understanding the Business of the company
2. Understanding the Industry in which the company operates
3. Identifying the Assets of the company, including Income Generating Businesses, fixed assets, etc.
4. Valuing the Assets of the company, wherein, three different approaches may be employed to determine value: (i) the Income Approach, (ii), the Market Approach and (iii) the Cost Approach. While each of these approaches is initially considered in the valuation of an asset, the nature and characteristics of the asset, availability of required data for each of the approaches indicate which approach, or approaches, is most applicable.
5. Identifying the liabilities of the company
6. Computing the Value available to Shareholders and arriving at the Value per share





As required by IVS -105, we have given consideration to all the relevant and appropriate valuation approaches. In selecting the appropriate valuation approach and method, we have considered the following:

- a) The appropriate basis (es) of value and premise(s) of value, determined by the terms and purpose of the valuation assignment,
- b) The respective strengths and weaknesses of the possible valuation approaches and methods,
- c) The appropriateness of each method in view of the nature of the asset, and the approaches or methods used by participants in the relevant market, and
- d) The availability of reliable information needed to apply the method(s).

We have hereunder discussed the various approaches available under the valuation standards and approach (es) adopted by us after considering the above and the information available for the asset under valuation:

Income Approach

The income approach provides an indication of value by converting future cash flow to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset. This approach is appropriate where the income-producing ability of the asset is the critical element affecting the value or reasonable projections of the amount and timing of future income are available for the subject asset. The approach is used where 'Anticipation of benefits' is the economic principle which would be used by market participants to decide the Value of the subject asset.

The following Income Approach method have been considered by us in the report:

➤ Discounted Cash Flow (DCF) Method

DCF uses the future free cash flows of the company discounted by the firm's weighted average cost of capital (the average cost of all the capital used in the business, including debt and equity), plus a risk factor measured by beta, to arrive at the present value.

Beta is an adjustment that uses historic stock market data to measure the sensitivity of the company's cash flow to market indices, for example, through business cycles.

The DCF method is a strong valuation tool, as it concentrates on cash generation potential of a business. This valuation method is based on the capability of a company to generate cash flows in the future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a company's cost of capital and the risk associated with the cash flows it generates. DCF analysis is based mainly on the following elements:

- Projection of financial statements (key value driving factors)
- The cost of capital to discount the projected cash flows



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. This approach is appropriate where the subject assets or substantially similar assets are frequently publicly traded and the information on the market transactions are sufficiently and reliably available. The approach is used where 'Price Equilibrium' is the economic principle which would be used by market participants to decide the Value of the subject asset.

The following Market approach methods have been considered by us in this report:

- **Guideline Publicly Trade comparable method** – The Guideline publicly trade comparable method utilizes the information on publicly traded comparable that are the same or similar to the subject asset to arrive at an indication of the value.
- **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.

Cost Approach

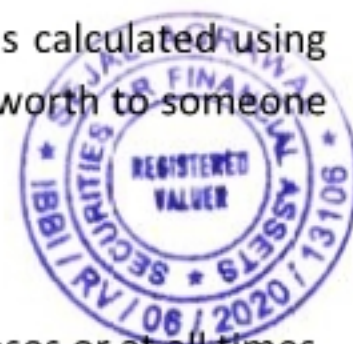
The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides 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 approach is used where 'cost of substitution' is the economic principle which would be used by market participants to decide the Value of the subject asset.

The value arrived at under this approach is based on the audited financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The balance sheet values are adjusted for any contingent liabilities that are likely to materialize.

The Net Asset Value is generally used as the minimum break-up value for the transaction since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern

Selection of Valuation Methodology

There is no single definition of the term 'Value' that is suitable for all purposes or at all times. The value of a particular asset may vary according to different valuation methodologies that are adopted to ascertain the value for a specific purpose. Valuation of securities is an inexact science. It may sometimes involve a set of judgments and assumptions that may be subject to certain uncertainties. In the section below, Registered Valuer have discussed some of the commonly used valuation methodologies. The valuation methodology to be adopted varies



from case to case depending upon different factors affecting valuation. There are a number of methodologies to value companies / businesses using historical and forecast financials of the company.

A typical valuation analysis involves review and analysis of historical financials of the company and broad comparison of the company's forecast financial projections as regards all the significant macro and micro variables like economy and industry growth rate assumptions, inflation, interest and foreign exchange rates and tax rate forecasts. Company's profitability factors (industry competitive factors and company's operating strategies and its competitive position in the industry), economies of scale and optimal capital structure also affects the business valuation of the company.

However, the value is specific to the point in time and may change with the passage of time.

Preferred approach to value equity shares

We have considered equal weightage of 3 (Three) methods

DYNEMIC PRODUCTS LTD.			
Valuation Approach			
	Value per share (INR)	Weight	Total Value
a) Net Asset Approach (NAV)	155.32	33.33%	51.77
b) VWAP Basis (90/10 days)	308.43	33.33%	102.81
c) Income Approach (DCF)	428.09	33.33%	142.70
TOTAL		100%	297.28
TOTAL (Round off)			297.00

INCOME APPROACH: DISCOUNTED CASH FLOW METHOD

- We were provided with the financial projections of the Company by the Management to arrive at fair value of equity shares of Dynamic Products Limited under DCF method.

MARKET APPROACH:

- The equity shares have been listed and traded on the BSE and NSE. Further the trading turnover is more than ten per cent of the total number of shares the equity shares of the company on the BSE and NSE from 240 trading days preceding the Relevant Date, therefore, equity shares of the company shall be treated as frequently traded.
- Stock Exchange means the Stock Exchange where 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. NSE is having highest turnover as compared to BSE. Therefore, NSE data is considered for all relevant sections.

- For the purpose of valuation, we have relied on the data of NSE in accordance to Regulations 164 and 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 Dated: 14th January, 2022.
- The price computed above is in consonance with Regulation 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022 vide Notification No. SEBI/LAD-NRO/GN/2022/63 Dated: 14th January, 2022 which mandates that preferential issue of equity shares which may result in a change in allotment of more than five per cent, shall conform to the pricing provisions of preferential issue specified under Regulation 165 of the ICDR Regulations.

ASSET APPROACH: NET ASSET METHOD:

- Book value based on Audited financial statement as on 31st March, 2023 has been calculated.

As per our assessment, the Fair Value of the company as per three approaches is as follows:

NAV As on March 31, 2023 ("Valuation date")	
	(Amount in Rs. Lacs)
PARTICULARS	As on March 31, 2023
ASSETS :	
NON-CURRENT ASSETS :	
Property, Plant & Equipment's & Intangible Assets	
Property, Plant & Equipment's	25898.49
Intangible Assets	0.19
Financial Assets:	
Investments	131.22
Loans	0.16
Other Financial Assets	1790.08
Other Non Current Assets	294.48
TOTAL NON CURRENT ASSETS	28114.62
CURRENT ASSETS:	
Inventories	6513.84
Financial Assets:-	
Trade Receivables	5072.48
Cash and cash equivalents	41.41
Other Bank Balances	126.10
Loans	0.72
Other Financial Assets	38.34
Other Current Assets	1204.69
TOTAL CURRENT ASSETS	12997.59





TOTAL -ASSETS (A)	41112.21
LAIBILITIES	
NON CURRENT LIABILITIES	
Financial Liabilities	
Borrowings	6601.03
Trade Payables	
Total outstanding dues of MSE	0.00
Total outstanding dues of creditors other than MSE	289.58
Provisions	49.86
Other Financial Liabilities	0.17
Deferred Tax Liabilities(Net)	1153.83
TOTAL NON CURRENT LIABILITIES	8094.48
CURRENT LIABILITIES	
Financial Liabilities	
Borrowings	8195.56
Trade Payables	
Total outstanding dues of micro and small enterprise	2570.30
Total outstanding dues of creditors other than micro and small enterprise	3636.28
Other Financial Liabilities	7.77
Provisions	194.33
Current Tax Liabilities	0.00
Other Current Liabilities	274.72
TOTAL CURRENT LIABILITIES	14878.96
TOTAL LIABILITIES (B)	22973.44
Total book value (A-B)	18138.77
No. of Shares (11678387)	116.78
Book Value per share	155.32

Valuation using Income Approach- DCF Methodology

For computing the Value per Equity Shares using Income Method, we have adopted the Discounted Cash Flows (DCF) method. Discounted cash flow is one the most prominent methodology of valuation. It helps to determine the valuation of future cash of the company. Further, the cash flows are discounted with a discount rate.

For the purpose of projecting the Future Cash Flows of the company, we have relied on the audited financial statements, the financial projections provided by the management of the company, our understanding of the company's business.





Detailed Projections of the future cash flows are annexed to this report as Detailed Projections of the Future Cash Flows. A Summary of the same is produced hereunder for easy reference.

Detailed Projections of the Future Cash Flows

The value per share based on the Income Method is therefore computed as under:

Particulars	Amount in Lacs
Sum of Present Value of Future Cash Flow	
Cash Flows during explicit period	15,036.66
Present Value of Terminal Value	49,455.43
Add : Cash & Cash Equivalent	167.51
Add : Investment	131.22
Less : Debt as on Valuation Date	-14,796.60
Equity Value (In Lacs)	49,994.23
No of Outstanding Shares	11,678,387.00
Equity Value per share	428.09

The Value per share of Rs. 428.09 is arrived based on the key assumptions listed below:

Key Assumptions:

a. Tax Expenses

The tax expenses are calculated based on the tax rate of 25.17%.

b. Terminal Value

The Terminal Value is computed by considering the growth rate to be 4% and using Gordon Growth Model.

$$\frac{\text{Last year free cash flow} \times (1 + \text{terminal growth rate})}{(\text{Discount Rate} - \text{Terminal Growth Rate})}$$

c. Computation of Cost of Equity (CAPM):

The Cost of Capital is calculated based on the Weighted Average of Debt and Equity. WACC is worked at 10.96%.

Sources:

- Risk Free Rate (Rf) is taken based on the 10 years yield of Government bond (<https://in.investing.com/rates-bonds/india-10-year-bond-yield-historical-data>)



b. Beta:

Beta is a measure of volatility, or systematic risk of the return on a particular security to the return on a market portfolio. As the Company is recently listed and Company's business model is unique and business activity and we didn't find any listed companies, which would be comparable to the Company in terms of nature of services, stages of operations etc. Accordingly, having regard to management representations and generally accepted valuation principles, I have conservatively considered the Beta of **0.83** for the purposes of valuation.

Valuation using Market Approach

- The equity shares have been traded on the BSE and NSE. Further the equity shares of the company also have been traded on the BSE and NSE from 240 trading days preceding the Relevant Date, therefore, equity shares of the company shall be treated as frequently traded.
- Stock Exchange means the Stock Exchange where 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. NSE is having highest turnover as compared to BSE, therefore, NSE data is considered for all relevant sections.

Volume Weighted Average Price 90 Days Preceding the Relevant Date							
Sr. No	Date	OPEN	HIGH	LOW	ltp	close	vwap
1	10-Aug-23	301.15	304.95	298.45	300	300.4	302.25
2	09-Aug-23	300	306	296.95	298.7	301	301.15
3	08-Aug-23	302	313.8	296.4	297.55	299.1	305.18
4	07-Aug-23	302.5	307.6	296	299.7	297.7	301.13
5	04-Aug-23	299	308	299	306	305.9	305.1
6	03-Aug-23	299.8	304.7	296.1	302.7	299.65	299.68
7	02-Aug-23	300	307.6	294.1	301	301.95	301.15
8	01-Aug-23	296.1	304	296.1	298.25	299.25	300.01
9	31-Jul-23	314.8	324.45	296	299.5	298.15	304.49
10	28-Jul-23	301	311	301	307.8	307.2	306.39
11	27-Jul-23	293.35	306.05	293.35	304.5	301.9	301.12
12	26-Jul-23	284.2	299	284	294	293.35	294.51
13	25-Jul-23	284	291.5	279.1	284	284.2	285.78
14	24-Jul-23	278.95	290.9	278	281	281.15	285.25
15	21-Jul-23	279.8	283.85	271.15	273	273.5	277.83
16	20-Jul-23	275.95	279.15	270.15	278	276.8	275.41
17	19-Jul-23	272.5	277	265	276.45	275.3	271.14
18	18-Jul-23	281.9	284.8	271	272	271.65	274.69



19	17-Jul-23	280.5	285.7	275.3	276.6	277.8	279.52
20	14-Jul-23	285.35	289.95	280.55	280.55	283.05	284.99
21	13-Jul-23	276.65	290	275.55	285	284.05	285.28
22	12-Jul-23	279.7	280.7	273.4	274.45	274.5	276.33
23	11-Jul-23	294.7	294.7	273.6	276.25	279.7	283.87
24	10-Jul-23	309	309	283	289.25	289.95	291.82
25	07-Jul-23	300.5	309.75	300.5	306.1	304.8	304.93
26	06-Jul-23	321.6	323.6	300.1	303.9	303.7	308.6
27	05-Jul-23	315.8	323	312	319.4	318.9	318.51
28	04-Jul-23	314.75	315.95	308.2	312	312.35	312.17
29	03-Jul-23	324.05	325.7	308	312.5	310.65	314.99
30	30-Jun-23	324.4	330.1	316.35	317	319.35	322.86
31	28-Jun-23	325.1	333.95	322.15	325	325.85	327.76
32	27-Jun-23	328.05	334.25	327	329.6	329.15	330.13
33	26-Jun-23	325.9	329.05	317.55	327	326.9	325.17
34	23-Jun-23	323.95	329.7	318.4	320.2	321.4	323.22
35	22-Jun-23	333.25	337.35	316.35	322.8	321.8	324.02
36	21-Jun-23	336.35	339.15	330.45	331	331.4	334.75
37	20-Jun-23	334.95	343.8	330	338.5	334.45	336.02
38	19-Jun-23	344.8	344.8	327.55	331.1	330.15	334.35
39	16-Jun-23	343	347	340	340.5	341.5	343.52
40	15-Jun-23	339.9	349.4	335.95	338	337.75	342.01
41	14-Jun-23	355.55	358	333.75	337.7	336.5	341.62
42	13-Jun-23	345.8	361.45	340.6	349.9	349.25	352.96
43	12-Jun-23	329.8	344.8	328.5	342.5	342.8	339.96
44	09-Jun-23	326.6	329	317	329	325.8	325.45
45	08-Jun-23	334.7	334.7	321	323.8	322.5	327.26
46	07-Jun-23	324.85	333.95	322	329	330.05	328.44
47	06-Jun-23	316	329.9	316	325	325.2	322.34
48	05-Jun-23	333.9	334.1	307.6	317.9	317.4	318.69
49	02-Jun-23	330	333.85	326.45	332.5	329.25	330.81
50	01-Jun-23	332	337.2	322.55	325.5	325.75	330.05
51	31-May-23	332.8	341.2	322.6	333	332.1	332.94
52	30-May-23	316.15	355.15	312	329.9	327.8	336.67
53	29-May-23	314.7	319.4	302.05	313	311.5	313.5
54	26-May-23	319	319	309.05	313	310.9	312.94
55	25-May-23	325	327.9	306.35	315	315	314.37
56	24-May-23	330.05	338.8	320.35	320.65	325.65	331.67





57	23-May-23	318.35	345.35	313.8	329.85	330.05	334.5
58	22-May-23	315.95	319.7	313.25	316.1	317.45	316.49
59	19-May-23	315	318.3	310	312.5	315.45	313.32
60	18-May-23	314.9	319.9	311.1	313	313.7	314.46
61	17-May-23	323.75	323.75	306.05	312.1	313.25	314.16
62	16-May-23	324.8	324.8	315.2	319.7	317.75	318.49
63	15-May-23	318	323.55	311.8	320	318.4	317.73
64	12-May-23	315.45	317.4	309.45	312	312.3	313.07
65	11-May-23	307.45	315.9	306.35	311.65	311.15	311.46
66	10-May-23	309.9	315	305.25	306	307.45	310.2
67	09-May-23	315.55	317.85	301.45	307	306.5	309.48
68	08-May-23	318.5	319.9	311.1	312.25	313.6	315.55
69	05-May-23	310.7	318	306.05	316	314	313.18
70	04-May-23	306.15	314.5	304.85	310	311.7	311.09
71	03-May-23	301.5	309.4	301	306	306.45	305.27
72	02-May-23	325.4	325.4	295.6	299.2	298.85	304.64
73	28-Apr-23	330	330.7	320	321	321.1	325.18
74	27-Apr-23	302.6	333	295.1	325.05	327.7	322.25
75	26-Apr-23	309.95	311.5	291.85	300	301.6	302.18
76	25-Apr-23	342	342.6	305.1	309	312.1	321.18
77	24-Apr-23	330	341.3	326.45	340.9	339.6	335.78
78	21-Apr-23	323.45	333.7	320.55	329.5	329.6	328.73
79	20-Apr-23	303.15	331	303	325	321.4	323.92
80	19-Apr-23	306.55	307.4	302	302.1	303.15	304.89
81	18-Apr-23	304.05	318.3	300	302	303.5	308.57
82	17-Apr-23	290	317.4	282.25	309	309.15	305.84
83	13-Apr-23	282	294.4	277.8	292.25	289.9	287.29
84	12-Apr-23	274.25	287.95	270.25	276.35	277.8	279.72
85	11-Apr-23	253.05	278.4	253.05	266.25	267.6	270.19
86	10-Apr-23	261.7	269.45	252.65	258	256.65	259.14
87	06-Apr-23	253.8	264	252.5	257.7	256.1	258.83
88	05-Apr-23	248.85	265	247.25	253.85	256.45	254.86
89	03-Apr-23	239.9	259.4	239.25	247.6	249.6	248.82
90	31-Mar-23	241.9	251.5	230	235	233.6	241.62
VWAP 90 DAYS							308.43





Volume Weighted Average Price 10 Days Preceding the Relevant Date								
Sr. No	Date	series	OPEN	HIGH	LOW	ltp	close	vwap
1	10-Aug-23	EQ	301.15	304.95	298.45	300	300.4	302.25
2	09-Aug-23	EQ	300	306	296.95	298.7	301	301.15
3	08-Aug-23	EQ	302	313.8	296.4	297.55	299.1	305.18
4	07-Aug-23	EQ	302.5	307.6	296	299.7	297.7	301.13
5	04-Aug-23	EQ	299	308	299	306	305.9	305.1
6	03-Aug-23	EQ	299.8	304.7	296.1	302.7	299.65	299.68
7	02-Aug-23	EQ	300	307.6	294.1	301	301.95	301.15
8	01-Aug-23	EQ	296.1	304	296.1	298.25	299.25	300.01
9	31-Jul-23	EQ	314.8	324.45	296	299.5	298.15	304.49
10	28-Jul-23	EQ	301	311	301	307.8	307.2	306.39
TOTAL VWAP 10 DAYS								302.65

PARTICULARS	PRICE
Volume Weighted Average Price 90 Days Preceding the Relevant Date (a)	308.43
Volume Weighted Average Price 10 Days Preceding the Relevant Date (b)	302.65
Whichever is Higher (a) or (b)	308.43

Based on my valuation exercise, the minimum issue price for the issuance of the Equity shares and convertible equity warrants as at the close of trading hours of the date preceding the relevant date (August 11, 2023) i.e. August 10, 2023 as per Regulation 166A is Rs. 297 per share.

The Allotment to proposed allottee is for cash consideration and there is no change in control, however, the allotment is more than five percent of the post issue fully diluted share capital of the issue, kindly treat this valuation report as per the mandatory requirement of regulation 166A of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018.





We trust the above meets your requirements.

Thanking you,

Sejal Agrawal

Registered Valuer

(Regn. No.: IBBI/RV/06/2020/13106)

(IP, RV, FCA, FCS, DISA,

Forensic Audit and Fraud Detection,

Ind-AS, Concurrent Audit)

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