

BABU LAL SHARMA

Registered Valuer

Flat No S-4, H-25 Sapphire Jagan Apartment ,
TulsiMarg, Banipark ,Jaipur , Rajasthan - 302016

Private and Confidential

Date: August 12, 2023

To,
The Board of Directors,
AFFIL Vitrified Private Limited
S. No. 32/1, Kandla Road,
Opp. Timbdi Patia, Morbi, Gujarat-363642

To,
The Board of Directors
Asian Granito India Limited
202, Dev Arc, Opp. Iskon Temple,
Ahmedabad Gujarat-380059

To,
The Designated Partners,
Ivanta Ceramics Industries LLP
(On Conversion – Ivanta Ceramics Industries
Private Limited)
S. No. 32/3, P2, 32/3 P3, 32/3 P4,
Kandla Road, Opp. Timbdi Patia, Morbi,
Gujarat-363642

To,
The Board of Directors
Crystal Ceramic Industries Limited
F.F. 101, 102, Elanza Vertex, Nr. Zainobiya,
Sindhu Bhavan Road
Ahmedabad Gujarat-380059

Sub: Fair Equity Share Exchange Ratio Report In relation to the Proposed Composite Scheme of Arrangement

Dear Sir,

We, Mr. Babulal Sharma (IBBI Reg No. : IBBI /RV/06/2019/11766) ('We' or 'Us'), have been appointed vide letter dated August 10, 2023 to recommend the fair equity share exchange ratio for the proposed Composite Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 amongst Asian Granito India Limited (AGL) and Affil Vitrified Private Limited and Ivanta Ceramics Industries Private Limited and Crystal Ceramic Industries Limited and Affil Ceramics Limited and Ivanta Ceramic Limited and Crystal Vitrified Limited (here-in-after referred as "Scheme").

We are pleased to present herewith our report on the same.

1. Brief Background of the Scheme of Scheme of Arrangement & Scheme of Arrangement

- Under the proposed Scheme of Arrangement (the "Scheme") inter alia, Affil Vitrified Private Limited, Ivanta Ceramics Industries Private Limited (to be incorporated on conversion of Ivanta Ceramics Industries LLP under Section 366 of Companies Act, 2013, where the approval of name is already granted by the ROC) and Crystal Ceramic Industries Limited shall be merged with the wholly owned subsidiaries of Asian Granito India Limited namely, Affil Ceramics Limited, Ivanta Ceramic Limited and Crystal Vitrified Limited, pursuant to which the shareholders of Affil Vitrified Private Limited, Ivanta Ceramics Industries Private Limited and Crystal Ceramic Industries Limited shall receive the equity shares of AGL based on the Share Exchange Ratio wherein:
 - Acquisition of the entire manufacturing business including all Assets and Liabilities thereon of Affil Vitrified Private Limited ("AVPL" or "Transferor 1") by the Wholly Owned Subsidiary of AGL namely Affil Ceramics Limited and issue of equity shares of the AGL to the shareholders of the Transferor 1.



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- II. Acquisition of the entire manufacturing business including all Assets and Liabilities thereon of Ivanta Ceramics Industries Private Limited (to be incorporated on conversion of Ivanta Ceramics Industries LLP, the approval of name is already done by the ROC) ("ICIL" or Transferor 2") by the Wholly Owned Subsidiary of AGL namely Ivanta Ceramic Limited and issue of equity shares of the AGL to the shareholders of the Transferor 2.
 - III. Acquisition of the entire manufacturing business including all Assets and Liabilities thereon of Crystal Ceramic Industries Limited ("CCIL" or "Transferor 3") by the Wholly Owned Subsidiary of AGL namely Crystal Vitrified Limited and issue of equity shares of the AGL to the shareholders of the Transferor 3.
2. The Scheme will comply with the provisions of section 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013, along with the applicable provisions of Securities and Exchange Board of India ('SEBI'), if any.

2. Terms of Engagement

2.1. In this regard, we have been appointed to determine and recommend the fair equity share exchange ratio for the proposed scheme.

3. Brief Background of the Scheme of Scheme of Arrangement & Scheme of Arrangement

Asian Granito India Limited ('AGL'):

Asian Granito India Limited ("AGL") is a public listed company incorporated under the provisions of the Companies Act, 1956 and now governed by the provisions of the Companies Act, 2013 under the Corporate Identification Number L17110GJ1995PLC027025. AGL was originally incorporated on August 08, 1995 as a private Limited Company under the name and style of "Karnavati Fincap Private Limited" as per Certificate of Incorporation issued by the Registrar of Companies, Gujarat Darda & Nagar Haveli. Subsequently, it was converted into a Public Limited Company and consequently the name of Karnavati Fincap Private Limited was again changed to "Karnavati Fincap Limited" with effect from August 29, 1995. The name was changed to "Panchariya Textile Industries Limited" with effect from March 18, 1999 which was further changed to "Vasudev Textile Industries Limited" with effect from July 28, 2000. Again subsequently, the name of Vasudev Textile Industries Limited was changed to "Asian Granito India Limited" with effect from November 25, 2002.

Affil Vitrified Private Limited

Affil Vitrified Private Limited, the "Transferor 1", is an unlisted private company incorporated under the provisions of the Companies Act, 1956 and now governed by the provisions of the Companies Act, 2013 under the Corporate Identification Number U26933GJ2010PTC062183. The Transferor 1 was incorporated on September 01, 2010 as a Private Limited Company under the name and style of "Affil Vitrified Private Limited" as per Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Darda & Nagar Haveli. The Transferor 1 is engaged, inter alia, in the business of manufacturing of tiles under the brand name "Affil" and trading activities.

The issued and paid-up Equity Share Capital of Affil Vitrified Private Limited is Rs. 1819.67 Lakhs as on date of report which is divided into 1,81,96,660 Equity Shares of face value of Rs. 10/- each.



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Ivanta Ceramics Industries LLP

Ivanta Ceramics Industries LLP, the "Transferor 2", is a Limited Liability Partnership registered under The Limited Liability Partnership Act, 2008 with LLP Identity Number AAK-1907 and was incorporated on August 1, 2017 as "Ivanta Ceramics LLP" and the name was again changed to Ivanta Ceramics Industries LLP with effect from August 09, 2023. Ivanta Ceramics Industries LLP will be converted into Ivanta Ceramics Industries Private Limited (the "Transferor Company 2") complying with the provisions of Section 366 of the Companies Act, 2013.

The Transferor 2 is engaged, inter alia, in the business of manufacturing of tiles under the brand name "Ivanta" and trading activities.

The partner's capital of Ivanta Ceramics Industries LLP as on date of report is Rs. 80.00 Lakhs

Crystal Ceramic Industries Limited

Crystal Ceramic Industries Limited, the "the "Transferor 3", is an unlisted public company incorporated under the provisions of the Companies Act, 1956 and now governed by the provisions of the Companies Act, 2013 under the corporate identity number U26933GJ2008PLC052576. The Transferor Company 3 was incorporated on January 7, 2008 as a private limited company under the name and style of Crystal Ceramic Industries Private Limited as per certificate of registration issued by the Registrar of Companies, Gujarat Darda & Nagar Haveli. The Transferor Company 3 was later converted to a public limited company on January 11, 2022 under the name and style of Crystal Ceramic Industries Limited as per certificate of registration issued by the ROC - Ahmedabad.

The Company is engaged, inter alia, in the business of manufacturing of glaze vitrified tiles under the brand name 'Crystal' and also on job work basis for AGL and trading activities.

The issued and paid-up share capital of Crystal Ceramic Industries Limited is Rs. 4029.96 Lakhs as on date of report which is divided into 4,02,99,612 Equity Shares of face value of Rs. 10/- each.

4. Exclusions and Limitations:

1. Our report is subject to the limitations detailed hereinafter. This report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
2. This report, its contents, and the analysis herein are specific to (1) the purpose of valuation agreed as per the terms of our engagement, (ii) the report date and (iii) are based on the unaudited financial statements of the Companies as at December 31, 2019. The management of the Companies have represented that the business activities of the Companies have been carried out in the normal and ordinary course between December 31, 2019 and the Report date and that no material changes have occurred in their respective operations and financial position between December 31, 2019 and the Report date.
3. This report and the information contained herein are intended for providing select information and only in connection with the purpose mentioned above or for sharing with shareholders, Regional



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4. Directors, Registrar of Companies, National Company Law Tribunal, and office of other regulatory or statutory authorities. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. In the event, the companies or their management or their representatives intend to extend the use of this report beyond the purpose mentioned earlier in the report, with or without our consent, we will not accept any responsibility to any other party to whom this report may be shown or who may acquire a copy of the report.
5. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by us during the course of our work. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence or legal title search of the assets or liabilities of the Companies or any of its subsidiaries or associated companies and have considered them at the value as disclosed by the Companies in their regulatory filings or in submissions, oral or written, made to us.
6. In rendering this report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.
7. Any matters related to legal title and ownership are outside the purview and scope of this valuation exercise. Further, no legal advice regarding the title and ownership of the subject property has been obtained while conducting this valuation exercise. Valuation may be significantly influenced by adverse legal, title or ownership, encumbrance issues.
8. This report is based on the information received from the sources mentioned herein and discussions with the representatives of the Companies. We have assumed that no information has been withheld that could have influenced the purpose of our report.
9. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us, we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the companies. Nothing has come to our knowledge to indicate that the material provided to us was mis-stated or incorrect or would not afford reasonable grounds upon which to base our report.
10. During the course of our work, we have relied upon the certain opinion documents made available by the management and representatives of the Companies. Though we have reviewed it, we have not independently verified the same. As these opinions/assumptions require the exercise of judgment and are subject to uncertainties, there can be no assurance that these assumptions are accurate.
11. For the present valuation exercise, we have also relied upon information available in the public domain; however, the accuracy and timeliness of the same has not been independently verified by us.
12. In addition, we do not take any responsibility for any changes in the information used by us to arrive at our conclusion as set out here in which may occur subsequent to the date of our report or by virtue of fact that the details provided to us are incorrect or inaccurate.
13. Further, this report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to us or used by us up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this report and the assumptions made in preparing this report and we shall not be obliged to update, revise or reaffirm this report if the information provided to us changes.
14. We have considered relevant valuation approaches based on our analysis. Any transaction price may however be significantly different and would depend on the negotiating ability and motivations of the respective buyers and sellers in the transaction.
15. Our scope is limited to the purposes stated hereinabove. The Report should not be construed as, our opinion or certifying the compliance of the Proposed Scheme of Arrangement with the provisions of



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- any law including the Companies Act 2013, taxation related laws, capital market related laws, any accounting, taxation or legal implications or issues arising from the Proposed Scheme of Arrangement.
16. 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 value. While we have provided an assessment of the value based on an analysis of information available to us and within the scope of our engagement, others may place a different value on this business.
 17. This Report does not look into the business/commercial reasons behind the Proposed Scheme of Arrangement nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Scheme of Arrangement as compared with any other alternative business transaction or any other alternatives, whether or not such alternatives could be achieved or are available.
 18. Further this Report does not in any manner address the prices at which the equity shares of the Companies will trade following the announcement of the Scheme and we express no opinion or recommendation as to how the shareholders of the Companies should vote at any shareholders' meeting to be held in connection with the Proposed Scheme of Arrangement.
 19. Whilst all reasonable care has been taken to ensure that the factual statements in the report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or Indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report. We are not liable to any party in relation to the issue of this report.
 20. Mr. Babulal Sharma (IBBI Reg No. : IBBI /RV/06/2019/11766) owes responsibility to only the Boards of Directors of AGL and the Transferors with reference to terms of engagement letter and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to AGL and the Transferors. 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 companies involved, their directors, employees or agents. In no circumstances shall the liability of a Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this report shall not exceed the fees paid to such Valuer in respect of the fees charged by it for these services.
 21. The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by AGL and the Transferors (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this report.
 22. A draft of this report was shared with the Companies, prior to finalization of report, (excluding the recommended fair equity share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/omission are avoided in the report.

5. Sources of Information:

For the purpose of undertaking this valuation exercise, we have relied on the following sources of information provided by the management representatives of the company:

1. Detailed business profile and information of current business operations of AGL and the Transferors companies/LLPs and its subsidiaries and associates
2. Latest shareholding pattern as on March 31, 2023 of AGL and the Transferors companies



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3. Valuation Report pertaining the Fair Market Value of Manufacturing Business of the Transferors companies provided by Mr. Gaurav Maheshwari the IBBI Registered Valuer ("Valuer") and the CA certificate which is issued by Das Pattnaik & Co. – Chartered Accountants dtd. 11th August, 2023 contains the calculation of the Fair Market Price of each Equity Shares of AGL.
4. Draft Scheme of Scheme of Arrangement;

6. Procedures Adopted:

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

1. Referred to the Valuation Report of provided by the Valuer for the valuation of the Entire Manufacturing business the Transferors and the CA certificate for the fair market value of each equity share of AGL

For the purpose of arriving at the valuation of the Companies/businesses we have considered the valuation base as 'Fair Value' and the premise of value is 'Going Concern Value'. Any change in the valuation base, or the premise could have significant impact on our valuation exercise, and therefore, this report.

7. Valuation Approaches

The valuation of any LLP/Company/ business or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of LLP/Company. Further, this Valuation will fluctuate with lapse of time, changes in prevailing market conditions, the conditions, and prospects, financial and otherwise, of LLP/Company, and other factors which generally influence the valuation of Businesses and their assets.

The following are commonly used and accepted methods for determining the value of the business:

A) Market Approach

a. Market Price Method

The market price of an equity share / Debenture / Business as quoted on a stock exchange is normally considered as the value of the Equity Shares / debentures / business of that LLP where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares/debentures. But there could be situations where the value of the securities as quoted on the stock market would not be regarded as a proper index of the fair value of the securities, especially where the market values are fluctuating in a volatile capital market.



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LLP/Company being Unlisted LLP/Company does not have any security listed on any recognized stock exchange in India. Accordingly, the Market Price Method has not been adopted for the Valuation.

b. Comparable Business 'Quoted Multiple ('CCM') Method

Under this method, value of the security of a LLP/Company is arrived at by using multiples derived from valuations of comparable Businesses, as manifest through stock market valuations of listed Businesses. 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 between the circumstances.

Given this background, we have not adopted the CCM approach for the purpose of Valuation as sufficient information is not available in public domain.

c. Comparable Businesses 'Transaction Multiple ('CTM') Method

Under this method, value of the securities of a LLP/Company / business is arrived at by using multiples derived from valuations incomparable Businesses, as manifest through transaction on valuations. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

The CTM approach has not been adopted for the purpose of our analysis as sufficient information is not available in the public domain.

B) Income Approach –

a. Discounted Cash Flows ('DCF') Method

Under the DCF method, the projected free cash flows to the business are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm. Using the DCF analysis involves determining the following:

- Estimating future free cash flows.
- Free cash flows are the cash flows expected to be generated by the LLP/Company that are available to the providers of the LLP/Company's capital and debt.
- Appropriate discount rate to be applied to cash flows i.e., the weighted average cost of capital; this discount rate, which is applied to the free cash flows to the firm, should reflect the opportunity cost to the debt providers and equity capital providers (namely shareholders). The opportunity cost to the equity capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk. Cost of debt is typically based on market rates.
- Weighted Average Cost of Capital of LLP/Company determined at **16.79%** whereas for company it is determined at **18.79%**, after the explicit period, the business will continue to generate cash. In DCF Method, therefore, perpetuity values also considered to arrive at the business value. For arriving at the perpetuity value, we have considered a growth rate



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of 5%, such growth rate is reasonable considering the growth projected by the LLP/Company and the industry in which the LLP/Company operates.

C) **Asset Approach – Net Asset Value ('NAV') Method**

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the firm is to be liquidated i.e., it does not meet the "going concern" criteria or in case where the assets base exceeds earnings capability or where the future projections cannot be ascertained reasonably. Accordingly, NAV Method has not been applied in this valuation.

8. **Basis of Fair Equity Share Swap Ratio**

The basis of the fair equity share swap ratio for the Proposed Scheme of Arrangement would have to be determined after taking into consideration all the factors and methods mentioned hereinabove and to arrive at a final value for the shares of each company. It is, however, important to note that in doing so, we are not attempting to arrive at the absolute values of the Companies, but at their relative values to facilitate the determination of the fair equity share swap ratio.

We have independently applied methods discussed above, as considered appropriate, and arrived at their assessment of value per share of the Companies. To arrive at the consensus on the fair equity share swap ratio for the Proposed Scheme of Arrangement, rounding off have been done in the values.

9. **Major factors that were considered during the valuation**

1. The equity shares of the Companies are listed ;
2. Share price of the Companies;
3. Key operating/ financial parameters of the Companies;
4. Valuation Report pertaining the Fair Market Value of Manufacturing Business of the Transferors companies provided by Mr. Gaurav Maheshwari the IBBI Registered Valuer ("Valuer") and the CA certificate which is issued by Das Pattnaik & Co. – Chartered Accountants dtd. 11th August, 2023 contains the calculation of the Fair Market Price of each Equity Shares of AGL.

10. **Conclusion**

We have used the Market Price Method as discussed above and arrived at the recommended fair equity share swap ratio for the proposed Scheme of Arrangement of Transferors into AGL as follows:



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a) Between Affil Vitrified Private Limited and Asian Granito India Limited

Valuation Approach	Valuation Method	AFFIL Vitrified Private Limited		Asian Granito India Limited	
		Value per share	Weights	Value per share	Weights
Income Approach	DCF Method	89.25	100%	48.91	100%
Market Approach	MP Method	NA	NA	NA	NA
Market Approach	CTM Method	NA	NA	NA	NA
Market Approach	CCM Method	NA	NA	NA	NA
Cost Approach	NAV Method	NA	NA	NA	NA
Value Per share		89.25		48.91	
Share Swap Ratio				73:40	

NA: Not Applicable/Not Adopted

b) Ivanta Ceramics Industries LLP and Asian Granito India Limited:

Valuation Approach	Valuation Method	Ivanta Ceramics Industries LLP		Asian Granito India Limited	
		Value per share	Weights	Value per share	Weights
Income Approach	DCF Method	1952.13	100%	48.91	100%
Market Approach	MP Method	NA	NA	NA	NA
Market Approach	CTM Method	NA	NA	NA	NA
Market Approach	CCM Method	NA	NA	NA	NA
Cost Approach	NAV Method	NA	NA	NA	NA
Value Per share		1952.13		48.91	
Share Swap Ratio				479:12	

NA: Not Applicable/Not Adopted

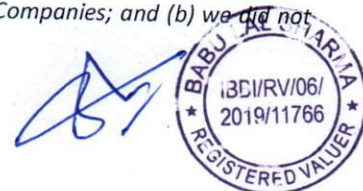
c) Crystal Ceramics Industries Limited and Asian Granito India Limited:

Valuation Approach	Valuation Method	Crystal Ceramics Industries Limited		Asian Granito India Limited	
		Value per share	Weights	Value per share	Weights
Income Approach	DCF Method	79.79	100%	48.91	100%
Market Approach	MP Method	NA	NA	NA	NA
Market Approach	CTM Method	NA	NA	NA	NA
Market Approach	CCM Method	NA	NA	NA	NA
Cost Approach	NAV Method	NA	NA	NA	NA
Value Per share		79.79		48.91	
Share Swap Ratio				695:426	

NA: Not Applicable/Not Adopted

1: We have not used Market Approach methods for this valuation as:

(1) there are few listed comparable companies in India, valuation multiple of which could have been considered for CCM method. However, either there have been notable impact on the market prices of these companies due to non-business reasons or they are dominated by regional content, unlike the Companies; and (b) we did not



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find comparable transactions in India, in recent past, for which adequate information was available in public domain; and

(2) we did not consider it appropriate to use international comparable companies/transaction multiples due to lack of identical comparable companies/ transactions having variance on account size, geography, nature of business, nature of transactions, corporate structure, industry / company specific Issues etc.

(3) trailing 12 months revenues of both the companies were not at normative level due to industry specific issues; and

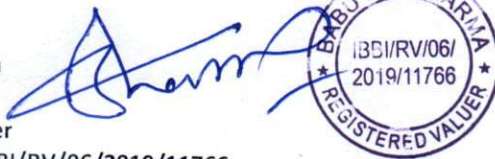
(4) EBITDA of some of the companies is negative/not normative due to company/industry specific issues.

2. NAV Method under 'Cost Approach' has not been considered since the net asset value does not reflect the intrinsic value of the business in a "going concern scenario"

Therefore, Under the proposed Scheme of Arrangement (the "Scheme") *inter alia*, Affil Vitrified Private Limited, Ivanta Ceramics Industries Private Limited (to be incorporated on conversion of Ivanta Ceramics Industries LLP, the approval of name is already done by the ROC) and Crystal Ceramic Industries Limited shall be merged with the wholly owned subsidiaries of AGL namely, **Affil Ceramics Limited, Ivanta Ceramic Limited and Crystal Vitrified Limited**, pursuant to which the shareholders of Affil Vitrified Private Limited, Ivanta Ceramics Industries Private Limited and Crystal Ceramic Industries Limited shall receive the equity shares of Asian Granito India Limited based on the following ratio ("Share Exchange Ratio"):

1. 73 (seventy-three) equity shares of Asian Granito India Limited of the face value Rs. 10/- each fully paid up will be issued for every 40 (Forty) equity shares of Affil Vitrified Private Limited of the face value Rs. 10/- each fully paid up.
2. 479 (four hundred seventy-nine) equity shares of Asian Granito India Limited of the face value Rs. 10/- each fully paid up will be issued for every 12 (Twelve) equity shares of Ivanta Ceramics Industries Private Limited of the face value Rs. 10/- each fully paid up.
3. 695 (six hundred ninety-five) equity shares of Asian Granito India Limited of the face value Rs. 10/- each fully paid up will be issued for every 426 (four hundred twenty-six) equity shares of Crystal Ceramic Industries Limited of the face value Rs. 10/- each fully paid up.

Babu Lal Sharma



Registered Valuer

IBBI REG. NO: IBBI/RV/06/2019/11766

ICAIRVO/06/RV-P00117/2019-2020

Date : August 12, 2023

Place Jaipur

VALUATION ANALYSIS REPORT
OF
AFFIL VITRIFIED PRIVATE LIMITED
VALUATION OF EQUITY SHARES
FOR
FAIR VALUE OF EQUITY SHARES

Valuation Date
31st March, 2023

Report Date
12th August, 2023

BY

GAURAV MAHESHWARI
REGISTERED VALUER

IBBI Reg. No: IBBI/RV/11/2021/14432
Mem.no: DJF/RVO/10632/2020-21/SFA

Valuation Analysis Report

Our Engagement

AFFIL VITRIFIED PRIVATE LIMITED (here-in-after referred as “AFFIL” or “Company”) has approached us for carrying out the valuation analysis of the company for the purpose of acquisition of entire manufacturing business including all Assets and Liabilities of the company by Asian Granito India Limited (“AGL”). In accordance with the terms of the engagement, I am enclosing our Valuation Report.

GAURAV MAHESHWARI has been hereafter referred to as 'Valuer' or 'we' or 'i' or 'us' in this Report (Valuation Report' or 'Report').

In line with fair valuation requirements, the shares of the Company have been valued as per internationally accepted methods of valuation to determine price of such shares. We have used the Discounted Cash Flow (“DCF”) method to value the said shares as this is the most suitable method under the specific situation.

The summary workings for arriving at the fair value of Company are as under-

Valuation summary			
Sr No	Particulars	Unit	Values
1	Fair Value per Equity Shares	INR per share	89.25/-

This Valuation Analysis is confidential and has been prepared exclusively for the management of Company. It should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of GAURAV MAHESHWARI Registered Valuer. Such consent will only be given after full consideration of the circumstance at the time. We are however aware that the conclusion in this report may be used for the purpose of certain statutory disclosures and we provide consent for the same.

Trust the above meets our requirements.

Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully

Gaurav



GAURAV MAHESHWARI
Registered Valuer
IBBI/RV/11/2021/14432
DJF/RVO/10632/2020-21/SFA
Date: **12.08.2023**
Place: Jaipur

1. EXECUTIVE SUMMARY

Overview of Company:

AFFIL VITRIFIED PRIVATE LIMITED is a company registered under the Companies Act, 2013 (CIN: U26933GJ2010PTC062183) incorporated on September 01, 2010 and having its registered office at S. No. 32/1, Kandla Road, Opp. Timbdi Patia, Tal. Morbi PIPLI GJ 363642 IN

Company is engaged in the business of manufacturing of tiles under the brand name 'Affil' and also on job work basis for Asian Granito India Limited and trading activities.

The share capital of the company as on 31st March, 2023 is as under:

Particulars	Amount (in Rs.)
Authorized Equity Share Capital 1,95,50,000 Shares of Rs 10/-each	19,55,00,000/-
Issued, Subscribed & Fully Paid-up Equity Share Capital 1,81,96,660 Shares of Rs 10/-each	18,19,66,600/-

a) The shareholders of the Company as on 31st March, 2023 holding more than 5% are as under: -

Name of the Shareholders	No. of Equity Shares	Shareholding %
PUSHPA HIRENBHAI BAVARVA	14,74,665	8.10%
SHAUNAK MUKESHBHAI PATEL	10,73,875	5.90%
VIPULBHAI V. PATEL	21,66,937	11.91%
HIREN SURESHKUMAR PATEL	38,59,312	21.21%
PANKAJBHAI MANILAL PATEL	9,67,375	5.32%
Total	95,42,164	52.44%

b) T

he Directors/Signatory Details of the Company as on 31st March, 2023 is as below:

S No	Name of the Director	DIN/PAN	Date
1	GIRISHBHAI KALIDASBHAI PATEL	01830434	02/12/2013
2	DIPAK NARAYANBHAI PATEL	01995309	07/02/2017
3	HIREN SURESHKUMAR PATEL	06759751	02/12/2013
4	RAJSHRI MANOHARLAL INDORIA	ACPPI8959M	26/03/2022

Purpose of This Valuation

Management of company want to ascertain the fair value of equity share of the Company as on 31st March, 2023 for the purpose of acquisition of entire manufacturing business including all Assets and Liabilities of the company by Asian Granito India Limited ("AGL") through the share swap basis.

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2. SCOPE OF WORK

The BOD of the Company has appointed GAURAV MAHESHWARI, IBBI Registered Valuer (RV) to undertake the valuation to assess the fair value of Equity Shares of the company as on valuation date 31st March, 2023,

3. DISCLOSURE OF VALUER INTEREST

I have no present or prospective contemplated financial interest in Company and I have no personal interest with respect to the Promoters & Board of Directors of Company. I am not 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.

4. IDENTITY OF THE REGISTERED VALUER

GAURAV MAHESHWARI is a Registered Valuer as required under The Companies (Registered Valuers & Valuation) Rules, 2017. GAURAV MAHESHWARI is registered with Insolvency & Bankruptcy Board of India vide registration number IBBI/RV/11/2021/14432.

Registered Valuer's primary membership is registered with Divya Jyoti Registered Valuers Organization vide registration no DJF/RVO/10632/2020-21/SFA.

5. VALUATION STANDARDS

The fair value has been arrived in accordance with the international valuation standard adopted by Divya Jyoti Registered Valuers Organization and following the internationally accepted valuation methods.

6. LIMITATION, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMER

- a) The course of our analysis, we have relied on financial and operational data provided by management of Company, together with information from public sources and Valuation Report of Other Valuers Without independent verification, we have relied upon these data as accurately reflecting the results of the operations and financial position of Company and matters and items of relevance for the valuation. We assume that management of Company and Valuers have not omitted or misstated any factors of relevance. Any such omissions or misstatements may materially affect our conclusions. We take no financial or legal responsibility for the completeness or accuracy of the information that this report is based on.

Gaurav



- b) This engagement doesn't cover our representation / presence on behalf of the Company for projections and assumptions made in their part, before any statutory authorities.
- c) By its very nature, valuation work cannot be regarded as an exact science and given the same set off acts and using the same assumptions, expert opinions may differ due to the number of separate judgment decisions, which have to be made. There can therefore be no standard formula to establish an indisputable value, although certain appropriate formula are useful in establishing reasonableness.
- d) In furnishing the Report, the Valuer reserves the right to amend or replace the Report at any time. Our views are necessarily based on economic, market, and other conditions currently in effect and the information made available to us, as of the date hereof. It should be understood that subsequent developments may affect our views and that we do not have any obligation to update, revise, or reaffirm the views expressed in the Report. Nothing contained within the Report is or should be relied upon as a promise or representation as to the future.
- e) Valuation is based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material. Consequently, this information cannot be relied upon to the same extent as that derived from audited accounts for completed accounting periods. We express no opinion as to how closely the actual results will correspond to the results projected.
- f) This Report does not look into the business/commercial reasons behind the transaction nor the likely benefits arising out of the same. In addition, we express no opinion or recommendation, and the shareholders are expected to exercise their own discretion.
- g) Our conclusions are based on the assumptions and information given by or on behalf of Company and reliance on public information. The Management of Company has indicated to us that they have understood that any omissions, in accuracies or misstatements may materially affect our valuation analysis; results. Accordingly, we assume no responsibility for any errors in the information furnished by Company and their impact on the Report. Nothing has come to our attention to indicate that the information provided was materially incorrect or would not afford reasonable grounds upon which to base the Report.
- h) We have no present or planned future interest in the Company and the fee for this Valuation analysis is not contingent upon the values reported herein.
- i) The report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein. The scope of our work has been limited both in terms of

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the areas of the business and operations which wherever we and the extent to which we have viewed them. There may be matters, other than those noted herein, which might be relevant in the context of the transaction and which a wider scope might uncover.

- j) The Valuation is required solely for non-financial reporting purposes and would not be used to determine the carrying value of the relevant assets/ (liability) in any financial statement.
- k) We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the Valuation, This Report is not a substitute for the third party's own due diligence; appraisal; enquiries; independent advice that the third party should undertake for his purpose.
- l) We have obtained from the signed copy of Disclaimer (**ANNEXURE-II**) from the Management.

7. APPROACH AND METHODOLOGY

It should be understood that the valuation of any company / business or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of company. Further, this Valuation will fluctuate with lapse of time, changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of company, and other factors which generally influence the valuation of companies and their assets.

The following are commonly used and accepted methods for determining the value of the equity shares of a company / business:

A) Market Approach

a. Market Price Method

The market price of an equity share / Debenture as quoted on a stock exchange is normally considered as the value of the Equity Shares / debentures of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares/debentures. But there could be situations where the value of the securities as quoted on the stock market would not be regarded as a proper index of the fair value of the securities, especially where the market values are fluctuating in a volatile capital market.

Company being Unlisted company does not have any security listed on any recognized stock exchange in India. Accordingly, the Market Price Method has not been adopted for the Valuation.

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b. Comparable Companies 'Quoted Multiple ('CCM') Method

Under this method, value of the security of a company is arrived at 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 between the circumstances.

Given this background, we have not adopted the CCM approach for the purpose of Valuation as sufficient information is not available in public domain.

c. Comparable Companies 'Transaction Multiple ('CTM') Method

Under this method, value of the securities of a company / business is arrived at by using multiples derived from valuations incomparable companies, as manifest through transaction on valuations. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

The CTM approach has not been adopted for the purpose of our analysis as sufficient information is not available in the public domain.

B) Income Approach –

a. Discounted Cash Flows ('DCF') Method

Under the DCF method, the projected free cash flows to the business are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm. Using the DCF analysis involves determining the following:

- Estimating future free cash flows.
- Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital and debt.
- Appropriate discount rate to be applied to cash flows i.e., the weighted average cost of capital; this discount rate, which is applied to the free cash flows to the firm, should reflect the opportunity cost to the debt providers and equity capital providers (namely shareholders). The opportunity cost to the equity capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk. Cost of debt is typically based on market rates.
- Weighted Average Cost of Capital of company determined at **18.79%**, after the explicit period, the business will continue to generate cash. In DCF Method, therefore, perpetuity values also considered to arrive at the business value. For arriving at the perpetuity value, we have considered a growth rate of **5%**, such growth rate is reasonable considering the growth projected by the Company and the industry in which the Company operates.

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C) Asset Approach – Net Asset Value ('NAV') Method

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the firm is to be liquidated i.e., it does not meet the "going concern" criteria or in case where the assets base exceeds earnings capability or where the future projections cannot be ascertained reasonably. Accordingly, NAV Method has not been applied in this valuation.

8. NATURE AND SOURCES OF THE INFORMATION USED OR RELIED UPON

For the purpose of this valuation, we have relied upon the undermentioned information and other data supplied by the management of the Company and other sources believed to be reliable:

- Management Certified Provisional Financial Statements of as on March 31, 2023.
- Projected Profit and Loss Statement and Balance Sheet for the period from FY 2023-24 to FY 2027-28.
- Management Representation Letter dated 5th August 2023.
- Such other information and explanation as required by us and provided by the management. We have also placed reliance on the verbal explanations and information given to us by the promoters of the Company.

9. CONCLUSION

Based on the information provided by the Company and on valuation technique use as opted as above we conclude that-

The Fair Value per Equity Shares of the Company has been derived at **Rs. 89.25 /-per share** of Face Value Rs.10/-. The detailed calculation sheet is enclosed here with as **Annexure-I**.

10. CONFIDENTIALITY

This report and the information contained herein are absolutely confidential and are intended for the sole use and information of the shareholders and the Board of Directors of company and for providing selection formation, only in connection with the purpose set out in the report. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued.

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GAURAV MAHESHWARI
Registered Valuer
IBBI/RV/11/2021/14432
DJF/RVO/10632/2020-21/SFA
Date: 12.08.2023
Place: Jaipur

Annexure-I

Valuation of Equity Shares of the Company

as per Discounted Cash Flow (DCF) Method

a. Calculation of DCF:

Particulars	Amount In Crore				
	F.Y 23-24	F.Y 24-25	F.Y 25-26	F.Y 26-27	F.Y 27-28
Profit After Tax (PAT)	15.83	24.41	22.86	26.87	33.12
Add: Book Depreciation	6.06	4.95	4.05	3.33	1.93
(Inc)/Dec in Working Capital other than Cash	(2.61)	(1.77)	3.62	(0.45)	0.21
Operating Cash Flows to Equity	19.28	27.58	30.53	29.75	35.26
(Inc)/Dec in Long Term Debt	(18.94)	(9.41)	(10.39)	(9.84)	(1.09)
(Inc)/Dec in Fixed Assets	(0.50)	(0.50)	(0.50)	(0.50)	(0.50)
Free Cash Flows to Equity (FCFE)	(0.16)	17.67	19.64	19.40	33.68
Discounting Period	1.00	2.00	3.00	4.00	5.00
Discounting Factor	0.8418	0.7087	0.5966	0.5022	0.4228
Present Value of FCFE	(0.13)	12.53	11.72	9.74	14.24

b. Calculation of Equity Value and Value per Share:

Summary	Amt.in Crore
PV of Total Discrete Period Cash Flows	48.09
PV of Terminal Cash Flows	108.42
Operating Equity Value	156.51
Less: Pref. Share	0.00
Add: Cash Balance	5.90
Total Equity Value (In Crore)	162.41
Number of Shares (Total Dilutive)	1,81,96,660
Value per Equity Share (In Rupees)	89.25

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ANNEXURE - II

1. Validity of the publication or report: The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). I/ We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, I/ we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 90 days from the date of issuance of this valuation report, or such earlier date if you become aware of any factors that have any effect on the valuation.

All opinions and estimates in this publication or report are, regardless of source, given in good faith, and may only be valid as of the stated date of this publication or report and are subject to change without notice.

2. Market Conditions: The party 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 date of valuation.

3. Privacy Laws: By reason of the operation of privacy laws, the valuer's enquiries in respect of recent transactions have been constrained. Accordingly, the valuer may not have had access to information on recent transactions which has not yet been published in information sources available to the valuer. If other transactions have taken place, knowledge of those transactions may affect the opinions expressed by the valuer. To the best of my knowledge and belief the statements and opinions in this report are correct and the information provided by others is accurate. However, no responsibility is assumed for its accuracy, which should be checked by appropriate report, search or formal enquiry if required. No responsibility is assumed for matters of a legal nature and the right to expert testimony as part of providing this valuation is expressly excluded.

4. Improvements: It should be noted that I am not an engineer, a plant and equipment, building construction or structural expert and I am therefore unable to certify as to the (structural) soundness of the improvements. I am not qualified to comment on the structural integrity, defect, rot or infestation of the improvements.

5. non-binding advice: The recommendation(s) rendered in the Report only represent our recommendation(s) based upon information furnished by the Company (or its executives / representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice. We have no obligation to update this Report.

6. Responsibility: We have provided our recommendation of the Valuation based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for value at which the Proposed Transaction shall take place will be with the Board of Directors of the Company, who should take into account other factors such as their own assessment of the proposed Transaction and input of other advisors.

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7. **Variation:** Valuation is based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates, and the variations may be material.

8. **No responsibility (Business plan/forecasts received from client without applying test of reasonability and diligence):** We have relied on the written representations from the management that the information contained in this report is materially accurate and complete in the manner of its portrayal and therefore forms a reliable basis for the valuation. In accordance with our work order and the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us. We have not independently investigated or otherwise verified the data provided by the company. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements... Accordingly, we assume no responsibility for any errors in the information furnished by the company and their impact on the Report.

9. **No consideration to legal matters (Forecasts received from client without applying test of reasonability and diligence):** The Report assumes that the company complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated and will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Valuation Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/unaudited carved out balance sheet.

10. **Scope of work:** Our scope of work did not include checking the adequacy of the carved out financial statements of the company and the specified projects and this is the responsibility of the Management and we have assumed these to be correct.

11. **Limitations:** We are not advisors with respect to accounting, legal, tax and regulatory matters for the proposed transaction. This Report does not look into the business/commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

12. **Responsibility:** We owe responsibility to only the Board of Directors of the company that has appointed us under the terms of our work order and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the company. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on the part of the company, its directors, employees or agents. Unless specifically agreed, in no circumstances shall the liability of the Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Report exceed the amount paid to the Valuer in respect of the fees charged by it for these services.

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13. **Contingent liabilities:** We have relied on the judgment of the management as regards contingent and other liabilities. Accordingly, our valuation does not consider the assumption of contingent liabilities other than those given to us as likely to crystallize. If there were any omissions, inaccuracies or misrepresentations of the information provided to us, it may have the effect on our valuation computations.

14. **Error:** The information and material presented in the report are provided for informational purposes only and are not to be used or considered as an offer or a solicitation to sell or buy or subscribe for securities or other financial instruments or any advice or recommendation with respect to such securities or other financial instruments. Neither the valuer nor any of its affiliates makes any representation or warranty or guarantee as to the completeness, accuracy, timeliness or suitability of any information contained within any part of the Report nor that it is free from error. The valuer does not accept any liability (whether in contract, tort or otherwise howsoever and whether or not they have been negligent) for any loss or damage (including, without limitation, loss of profit), which may arise directly or indirectly from use of or reliance on such information.

15. **No individual investment or tax advice:** This publication or report has been prepared as general information for private use of investors to whom the publication or report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor bears the risk of losses in connection with an investment. Before acting on any information in this publication or report, it is recommendable to consult one's financial advisor. The information contained in this publication or report does not constitute advice on the tax consequences of making any particular investment decision.

16. **Sources:** This publication or report may be based on or contain information, such as opinions, recommendations, estimates, price targets and valuations which emanate from the valuer's analysts or representatives, publicly available information, information from other units or other named sources. To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than the valuer ("External Information"), the valuer has deemed the other Sources to be reliable but neither the valuer in the Group, others associated or affiliated with said companies nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

17. **Limitation of liability:** The valuer assumes no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this publication or report. In no event will entities of the Group or other associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages resulting from the information in this publication or report.

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18. Risk information: The risk of investing in certain financial instruments is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized.

19. Conflicts of interest: The valuer may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the publication or report. To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of the valuer are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of the Group Companies and personal account dealing.

20. Variation: Security pricing may vary from actual liquidation value, and custodial statements. Prices shown should only be used as a general guide to portfolio value. Cash shown in the Report may not necessarily be available for investment due to unsettled transactions against your account.

21. Taxation: The levels and bases of taxation may change, and the Report should not be relied upon for tax purposes. Positions are reflected as of trade date and may differ from account statements, which reflect positions as of settlement date. Gains and losses may be higher or lower if cost bases for securities in your account are not available, as the valuer may assume this to be zero or if sourced from different tax information at multiple custodians.

22. Responsibility for information provided by third parties: The valuer does not accept any responsibility or liability for information provided by third parties. Official confirmation of portfolio holdings with these parties and issues arising from information they have provided must be addressed directly with them.

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VALUATION ANALYSIS REPORT
OF
CRYSTAL CERAMIC INDUSTRIES LIMITED

VALUATION OF EQUITY SHARES
FOR
FAIR VALUE OF EQUITY SHARES

Valuation Date
31st March, 2023

Report Date
12th August, 2023

BY

GAURAV MAHESHWARI
REGISTERED VALUER

IBBI Reg. No: IBBI/RV/11/2021/14432
Mem.no: DJF/RVO/10632/2020-21/SFA

Valuation Analysis Report

Our Engagement

CRYSTAL CERAMIC INDUSTRIES LIMITED (here-in-after referred as “CRYSTAL” or “Company”) has approached us for carrying out the valuation analysis of the company for the purpose of acquisition of entire manufacturing business including all Assets and Liabilities of the company by Asian Granito India Limited (“AGL”). In accordance with the terms of the engagement, I am enclosing our Valuation Report.

GAURAV MAHESHWARI has been hereafter referred to as 'Valuer' or 'we' or 'i' or 'us' in this Report (Valuation Report' or 'Report').

In line with fair valuation requirements, the shares of the Company have been valued as per internationally accepted methods of valuation to determine price of such shares. We have used the Discounted Cash Flow (“DCF”) method to value the said shares as this is the most suitable method under the specific situation.

The summary workings for arriving at the fair value of Company are as under-

Valuation summary			
Sr No	Particulars	Unit	Values
1	Fair Value per Equity Shares	INR per share	79.79/-

This Valuation Analysis is confidential and has been prepared exclusively for the Management of Company. It should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of GAURAV MAHESHWARI Registered Valuer. Such consent will only be given after full consideration of the circumstance at the time. We are however aware that the conclusion in this report may be used for the purpose of certain statutory disclosures and we provide consent for the same.

Trust the above meets our requirements.

Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully



GAURAV MAHESHWARI
Registered Valuer
IBBI/RV/11/2021/14432
DJF/RVO/10632/2020-21/SFA
Date: 12.08.2023
Place: Jaipur

1. EXECUTIVE SUMMARY

Overview of Company:

CRYSTAL CERAMIC INDUSTRIES LIMITED is a company registered under the Companies Act, 2013 (CIN: U26933GJ2008PLC052576) incorporated on January 07, 2008 and having its registered office at F.F. 101,102, ELANZA VERTEX, NR. ZAINOBIYA, SINDHU BHAVAN ROAD, BODAKDEV, AHMEDABAD GJ 380059 IN.

Company is engaged in the business of manufacturing of glaze vitrified tiles under the brand name 'Crystal' and also on job work basis for Asian Granito India Limited and trading activities.

The share capital of the company as on 31st March, 2023 is as under:

Particulars	Amount (in Rs.)
Authorized Equity Share Capital 6,00,00,000 Shares of Rs 10/-each	60,00,00,000/-
Issued, Subscribed & Fully Paid-up Equity Share Capital 4,02,99,612 Shares of Rs 10/-each	40,29,96,120/-

a) The shareholders of company as on 31st March, 2023 holding more than 5% shares are as under:

Name of the Shareholders	No. of Equity Shares	Shareholding %
ASIAN GRANITO INDIA LIMITED	2,82,09,734	70.00%
KUSHKUMAR NARESHBHAI PATEL	20,56,845	5.10%
Total	3,02,66,579	75.10%

b) The Directors (Signatory Details) of the Company as on 31st March, 2023 is as below:

S No	Name of the Director	DIN/PAN	Date
1	KAMLESHKUMAR BHAGUBHAI PATEL	0229700	15/03/2018
2	KANDARP GAJENDRA TRIVEDI	0314065	01/07/2021
3	BHARATKUMAR PARSHOTTAMDAS PATEL	0334474	23/05/2019
4	MUKESHBHAI JIVABHAI PATEL	0406744	15/03/2018
5	MAGANLAL PRAJAPATI	0564105	29/10/2021
6	VIPULKUMAR VINODBHAI PATEL	1995353	15/03/2018
7	VIPULKUMAR VINODBHAI PATEL	AJEPP8836E	19/05/2023
8	SHOBHA BHARTI	5318463	29/10/2021
9	PURVEE DINESHCHANDRA ROY	8050096	09/03/2018
10	DHAIRYAKUMAR MOHANBHAI THAKKAR	AGKPT0121F	30/12/2022

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Purpose of This Valuation

Management of company want to ascertain the fair value of equity share of the Company as on 31st March, 2023 for the purpose of acquisition of entire manufacturing business including all Assets and Liabilities of the company by the AGL through the share swap basis .

2. SCOPE OF WORK

The BOD of the Company has appointed GAURAV MAHESHWARI, IBBI Registered Valuer (RV) to undertake the valuation to assess the fair value of Equity Shares of the company as on valuation date 31st March, 2023,

3. DISCLOSURE OF VALUER INTEREST

I have no present or prospective contemplated financial interest in Company and I have no personal interest with respect to the Promoters & Board of Directors of Company. I am not 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.

4. IDENTITY OF THE REGISTERED VALUER

GAURAV MAHESHWARI is a Registered Valuer as required under The Companies (Registered Valuers & Valuation) Rules, 2017. GAURAV MAHESHWARI is registered with Insolvency & Bankruptcy Board of India vide registration number IBBI/RV/11/2021/14432.

Registered Valuer's primary membership is registered with Divya Jyoti Registered Valuers Organization vide registration no DJF/RVO/10632/2020-21/SFA.

5. VALUATION STANDARDS

The fair value has been arrived in accordance with the international valuation standard adopted by Divya Jyoti Registered Valuers Organization and following the internationally accepted valuation methods.

6. LIMITATION, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMER

- a) The course of our analysis, we have relied on financial and operational data provided by management of Company, together with information from public sources and Valuation Report of Other Valuers Without independent verification, we have relied upon these data as accurately reflecting the results of the operations and financial position of Company and matters and items of relevance for the valuation. We assume that management of Company and Valuers have not omitted or misstated any factors of relevance. Any such

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- omissions or misstatements may materially affect our conclusions. We take no financial or legal responsibility for the completeness or accuracy of the information that this report is based on.
- b) This engagement doesn't cover our representation / presence on behalf of the Company for projections and assumptions made in their part, before any statutory authorities.
- c) By its very nature, valuation work cannot be regarded as an exact science and given the same set off acts and using the same assumptions, expert opinions may differ due to the number of separate judgment decisions, which have to be made. There can therefore be no standard formula to establish an indisputable value, although certain appropriate formula are useful in establishing reasonableness.
- d) In furnishing the Report, the Valuer reserves the right to amend or replace the Report at any time. Our views are necessarily based on economic, market, and other conditions currently in effect and the information made available to us, as of the date hereof. It should be understood that subsequent developments may affect our views and that we do not have any obligation to update, revise, or reaffirm the views expressed in the Report. Nothing contained within the Report is or should be relied upon as a promise or representation as to the future.
- e) Valuation is based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material. Consequently, this information cannot be relied upon to the same extent as that derived from audited accounts for completed accounting periods. We express no opinion as to how closely the actual results will correspond to the results projected.
- f) This Report does not look into the business/commercial reasons behind the transaction nor the likely benefits arising out of the same. In addition, we express no opinion or recommendation, and the shareholders are expected to exercise their own discretion.
- g) Our conclusions are based on the assumptions and information given by or on behalf of Company and reliance on public information. The Management of Company has indicated to us that they have understood that any omissions, in accuracies or misstatements may materially affect our valuation analysis; results. Accordingly, we assume no responsibility for any errors in the information furnished by Company and their impact on the Report. Nothing has come to our attention to indicate that the information provided was materially incorrect or would not afford reasonable grounds upon which to base the Report.
- h) We have no present or planned future interest in the Company and the fee for this Valuation analysis is not contingent upon the values reported herein.

Gaurav



- i) The report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein. The scope of our work has been limited both in terms of the areas of the business and operations which wherever we and the extent to which we have viewed them. There may be matters, other than those noted herein, which might be relevant in the context of the transaction and which a wider scope might uncover.
- j) The Valuation is required solely for non-financial reporting purposes and would not be used to determine the carrying value of the relevant assets/ (liability) in any financial statement.
- k) We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the Valuation, This Report is not a substitute for the third party's own due diligence; appraisal; enquiries; independent advice that the third party should undertake for his purpose.
- l) We have obtained from the signed copy of Disclaimer (**ANNEXURE-II**) from the Management.

7. APPROACH AND METHODOLOGY

It should be understood that the valuation of any company / business or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of company. Further, this Valuation will fluctuate with lapse of time, changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of company, and other factors which generally influence the valuation of companies and their assets.

The following are commonly used and accepted methods for determining the value of the equity shares of a company / business:

A) Market Approach

a. Market Price Method

The market price of an equity share / Debenture as quoted on a stock exchange is normally considered as the value of the Equity Shares / debentures of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares/debentures. But there could be situations where the value of the securities as quoted on the stock market would not be regarded as a proper index of the fair value of the securities, especially where the market values are fluctuating in a volatile capital market.

Company being Unlisted company does not have any security listed on any recognized stock exchange in India. Accordingly, the Market Price Method has not been adopted for the Valuation.

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b. Comparable Companies 'Quoted Multiple ('CCM') Method

Under this method, value of the security of a company is arrived at 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 between the circumstances.

Given this background, we have not adopted the CCM approach for the purpose of Valuation as sufficient information is not available in public domain.

c. Comparable Companies 'Transaction Multiple ('CTM') Method

Under this method, value of the securities of a company / business is arrived at by using multiples derived from valuations incomparable companies, as manifest through transaction on valuations. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

The CTM approach has not been adopted for the purpose of our analysis as sufficient information is not available in the public domain.

B) Income Approach –

a. Discounted Cash Flows ('DCF') Method

Under the DCF method, the projected free cash flows to the business are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm. Using the DCF analysis involves determining the following:

- Estimating future free cash flows.
- Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital and debt.
- Appropriate discount rate to be applied to cash flows i.e., the weighted average cost of capital; this discount rate, which is applied to the free cash flows to the firm, should reflect the opportunity cost to the debt providers and equity capital providers (namely shareholders). The opportunity cost to the equity capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk. Cost of debt is typically based on market rates.
- Weighted Average Cost of Capital of company determined at **18.79%**, after the explicit period, the business will continue to generate cash. In DCF Method, therefore, perpetuity values also considered to arrive at the business value. For arriving at the perpetuity value, we have considered a growth rate of **5%**, such growth rate is reasonable considering the growth projected by the Company and the industry in which the Company operates.

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C) Asset Approach – Net Asset Value ('NAV') Method

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the firm is to be liquidated i.e., it does not meet the "going concern" criteria or in case where the assets base exceeds earnings capability or where the future projections cannot be ascertained reasonably. Accordingly, NAV Method has not been applied in this valuation.

8. NATURE AND SOURCES OF THE INFORMATION USED OR RELIED UPON

For the purpose of this valuation, we have relied upon the undermentioned information and other data supplied by the management of the Company and other sources believed to be reliable:

- Management Certified Provisional Financial Statements of as on March 31, 2023.
- Projected Profit and Loss Statement and Balance Sheet for the period from FY 2023-24 to FY 2027-28.
- Management Representation Letter dated 05th August 2023.
- Such other information and explanation as required by us and provided by the management. We have also placed reliance on the verbal explanations and information given to us by the promoters of the Company.

9. CONCLUSION

Based on the information provided by the Company and on valuation technique use as opted as above we conclude that-

The Fair Value per Equity Shares of the Company has been derived at **Rs.79.79 /-per share** of Face Value Rs.10/-. The detailed calculation sheet is enclosed here with as **Annexure-I**.

10. CONFIDENTIALITY

This report and the information contained herein are absolutely confidential and are intended for the sole use and information of the shareholders and the Board of Directors of company and for providing selection formation, only in connection with the purpose set out in the report. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued.




GAURAV MAHESHWARI
Registered Valuer
IBBI/RV/11/2021/14432
DJF/RVO/10632/2020-21/SFA
Date: 12.08.2023
Place: Jaipur

Annexure-I

Valuation of Equity Shares of the Company

as per Discounted Cash Flow (DCF) Method

a. Calculation of DCF:

Amount In Crore

Particulars	F.Y 23-24	F.Y 24-25	F.Y 25-26	F.Y 26-27	F.Y 27-28
Profit After Tax (PAT)	6.89	19.63	38.97	46.52	48.83
Add: Book Depreciation	11.39	11.39	11.39	11.39	11.39
(Inc)/Dec in Working Capital other than Cash	(50.06)	(8.88)	(9.36)	(9.81)	(10.22)
Operating Cash Flows to Equity	(31.78)	22.14	40.99	48.10	50.00
Inc/(Dec) in Long Term Debt	53.53	(0.56)	0.53	3.51	6.02
(Inc)/Dec in Fixed Assets	(2.00)	(2.00)	(2.00)	(2.00)	(2.00)
Free Cash Flows to Equity (FCFE)	19.76	19.58	39.52	49.61	54.02
Discounting Period	<i>1.00</i>	<i>2.00</i>	<i>3.00</i>	<i>4.00</i>	<i>5.00</i>
Discounting Factor	0.8418	0.7087	0.5966	0.5022	0.4228
Present Value of FCFE	16.63	13.87	23.58	24.91	22.84

b. Calculation of Equity Value and Value per Share:

Summary	Amt.in Crore
PV of Total Discrete Period Cash Flows	101.84
PV of Terminal Cash Flows	217.71
Operating Equity Value	319.54
Add: Cash Balance	2.00
Total Equity Value (In Crores)	321.54
Number of Shares (Total Dilutive)	4,02,99,612
Value per Equity Share (In Rupees)	79.79

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ANNEXURE - II

1. Validity of the publication or report: The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). I/ We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, I/ we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 90 days from the date of issuance of this valuation report, or such earlier date if you become aware of any factors that have any effect on the valuation.

All opinions and estimates in this publication or report are, regardless of source, given in good faith, and may only be valid as of the stated date of this publication or report and are subject to change without notice.

2. Market Conditions: The party 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 date of valuation.

3. Privacy Laws: By reason of the operation of privacy laws, the valuer's enquiries in respect of recent transactions have been constrained. Accordingly, the valuer may not have had access to information on recent transactions which has not yet been published in information sources available to the valuer. If other transactions have taken place, knowledge of those transactions may affect the opinions expressed by the valuer. To the best of my knowledge and belief the statements and opinions in this report are correct and the information provided by others is accurate. However, no responsibility is assumed for its accuracy, which should be checked by appropriate report, search or formal enquiry if required. No responsibility is assumed for matters of a legal nature and the right to expert testimony as part of providing this valuation is expressly excluded.

4. Improvements: It should be noted that I am not an engineer, a plant and equipment, building construction or structural expert and I am therefore unable to certify as to the (structural) soundness of the improvements. I am not qualified to comment on the structural integrity, defect, rot or infestation of the improvements.

5. non-binding advice: The recommendation(s) rendered in the Report only represent our recommendation(s) based upon information furnished by the Company (or its executives / representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice. We have no obligation to update this Report.

6. Responsibility: We have provided our recommendation of the Valuation based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for value at which the Proposed Transaction shall take place will be with the Board of Directors of the Company, who should take into account other factors such as their own assessment of the proposed Transaction and input of other advisors.

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7. **Variation:** Valuation is based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates, and the variations may be material.

8. **No responsibility (Business plan/forecasts received from client without applying test of reasonability and diligence):** We have relied on the written representations from the management that the information contained in this report is materially accurate and complete in the manner of its portrayal and therefore forms a reliable basis for the valuation. In accordance with our work order and the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us. We have not independently investigated or otherwise verified the data provided by the company. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements... Accordingly, we assume no responsibility for any errors in the information furnished by the company and their impact on the Report.

9. **No consideration to legal matters (Forecasts received from client without applying test of reasonability and diligence):** The Report assumes that the company complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated and will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Valuation Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/unaudited carved out balance sheet.

10. **Scope of work:** Our scope of work did not include checking the adequacy of the carved out financial statements of the company and the specified projects and this is the responsibility of the Management and we have assumed these to be correct.

11. **Limitations:** We are not advisors with respect to accounting, legal, tax and regulatory matters for the proposed transaction. This Report does not look into the business/commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

12. **Responsibility:** We owe responsibility to only the Board of Directors of the company that has appointed us under the terms of our work order and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the company. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on the part of the company, its directors, employees or agents. Unless specifically agreed, in no circumstances shall the liability of the Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Report exceed the amount paid to the Valuer in respect of the fees charged by it for these services.

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13. Contingent liabilities: We have relied on the judgment of the management as regards contingent and other liabilities. Accordingly, our valuation does not consider the assumption of contingent liabilities other than those given to us as likely to crystallize. If there were any omissions, inaccuracies or misrepresentations of the information provided to us, it may have the effect on our valuation computations.

14. Error: The information and material presented in the report are provided for informational purposes only and are not to be used or considered as an offer or a solicitation to sell or buy or subscribe for securities or other financial instruments or any advice or recommendation with respect to such securities or other financial instruments. Neither the valuer nor any of its affiliates makes any representation or warranty or guarantee as to the completeness, accuracy, timeliness or suitability of any information contained within any part of the Report nor that it is free from error. The valuer does not accept any liability (whether in contract, tort or otherwise howsoever and whether or not they have been negligent) for any loss or damage (including, without limitation, loss of profit), which may arise directly or indirectly from use of or reliance on such information.

15. No individual investment or tax advice: This publication or report has been prepared as general information for private use of investors to whom the publication or report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor bears the risk of losses in connection with an investment. Before acting on any information in this publication or report, it is recommendable to consult one's financial advisor. The information contained in this publication or report does not constitute advice on the tax consequences of making any particular investment decision.

16. Sources: This publication or report may be based on or contain information, such as opinions, recommendations, estimates, price targets and valuations which emanate from the valuer's analysts or representatives, publicly available information, information from other units or other named sources. To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than the valuer ("External Information"), the valuer has deemed the other Sources to be reliable but neither the valuer in the Group, others associated or affiliated with said companies nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

17. Limitation of liability: The valuer assumes no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this publication or report. In no event will entities of the Group or other associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages resulting from the information in this publication or report.

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18. Risk information: The risk of investing in certain financial instruments is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized.

19. Conflicts of interest: The valuer may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the publication or report. To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of the valuer are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of the Group Companies and personal account dealing.

20. Variation: Security pricing may vary from actual liquidation value, and custodial statements. Prices shown should only be used as a general guide to portfolio value. Cash shown in the Report may not necessarily be available for investment due to unsettled transactions against your account.

21. Taxation: The levels and bases of taxation may change, and the Report should not be relied upon for tax purposes. Positions are reflected as of trade date and may differ from account statements, which reflect positions as of settlement date. Gains and losses may be higher or lower if cost bases for securities in your account are not available, as the valuer may assume this to be zero or if sourced from different tax information at multiple custodians.

22. Responsibility for information provided by third parties: The valuer does not accept any responsibility or liability for information provided by third parties. Official confirmation of portfolio holdings with these parties and issues arising from information they have provided must be addressed directly with them.

Gaurav



GAURAV MAHESHWARI
IBBI Registered Valuer
Securities and Financial Assets

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E-mail: maheshwari.gaurav009@gmail.com
Mobile No.: +91-9314076998

VALUATION ANALYSIS REPORT
OF
IVANTA CERAMICS INDUSTRIES LLP
(Proposed to be converted into
Ivanta Ceramics Industries Private Limited)

Valuation Date
31st March, 2023

Report Date
12th August, 2023

BY

GAURAV MAHESHWARI
REGISTERED VALUER

IBBI Reg. No: IBBI/RV/11/2021/14432
Mem.no: DJF/RVO/10632/2020-21/SFA

Valuation Analysis Report

Our Engagement

IVANTA CERAMICS INDUSTRIES LLP (proposed to be converted into Ivanta Ceramics Industries Private Limited) (here-in-after referred as “IVANTA” or “LLP”) has approached us for carrying out the valuation analysis of the LLP for the purpose of acquisition of entire manufacturing business including all Assets and Liabilities by Asian Granito India Limited (“AGL”). In accordance with the terms of the engagement, I am enclosing our Valuation Report.

GAURAV MAHESHWARI has been hereafter referred to as 'Valuer' or 'we' or 'i' or 'us' in this Report (Valuation Report' or 'Report').

In line with fair valuation requirements, the valuation of the LLP have been valued as per internationally accepted methods of valuation to determine the Valuation of LLP. We have used the Discounted Cash Flow (“DCF”) method to value the said LLP as this is the most suitable method under the specific situation.

The summary workings for arriving at the fair value of LLP are as under-

Valuation Summary	
Particulars	Value (In Crore)
Total Valuation of LLP	156.17 Cr

This Valuation Analysis is confidential and has been prepared exclusively for the Management of LLP. It should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of GAURAV MAHESHWARI Registered Valuer. Such consent will only be given after full consideration of the circumstance at the time. We are however aware that the conclusion in this report may be used for the purpose of certain statutory disclosures and we provide consent for the same.

Trust the above meets our requirements.

Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully



GAURAV MAHESHWARI
Registered Valuer
IBBI/RV/11/2021/14432
DJF/RVO/10632/2020-21/SFA
Date:12.08.2023
Place: Jaipur

1. EXECUTIVE SUMMARY

Overview of LLP:

IVANTA CERAMICS INDUSTRIES LLP is a LLP registered under the Limited Liability Partnership Act, 2008 (LLPIN: AAK-1907) incorporated on August 01, 2017 and having its registered office at S. No. 32/3 P2, 32/3 P3, 32/3 P4, Kandla Road, Opp. Timbdi Patia, Tal. Morbi, Pipli, NA Rajkot Gujarat 363642.

The Partners of the LLP in their meeting dated 09th June 2023 has passed a resolution to convert the LLP into Private Limited Company with the name "Ivanta Ceramics Industries Private Limited".

LLP is engaged in the business manufacturing of ceramic tiles under the brand name 'Ivanta' and also on job work basis for Asian Granito India Limited and trading activities.

The partners fix contribution as on 31st March, 2023 is as under:

Particulars	Amount (in Rs.)
Total Partners Fix Contribution	8,00,00,000/-

A) The Designated Partners of the LLP as on 31st March, 2023 is as below:

S No	Name of the Designated Partners	DIN	DATE
1	KAMLESHBHAI MAVJIBHAI PATEL	00100069	01/08/2017
2	HIREN PRANJIVANBHAI PATEL	07891572	01/08/2017

Purpose of This Valuation

Management of LLP want to ascertain the total valuation of the LLP as on 31st March, 2023 for the purpose of acquisition of entire manufacturing business including all Assets and Liabilities of LLP by the AGL.

2. SCOPE OF WORK.

The Management of the LLP has appointed GAURAV MAHESHWARI, IBBI Registered Valuer (RV) to undertake the valuation to assess the Total Valuation of the LLP as on valuation date 31st March, 2023,

3. DISCLOSURE OF VALUER INTEREST

I have no present or prospective contemplated financial interest in LLP and I have no personal interest with respect to the Designated Partners of LLP. I am not 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.

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4. IDENTITY OF THE REGISTERED VALUER

GAURAV MAHESHWARI is a Registered Valuer as required under The Businesses (Registered Valuers & Valuation) Rules, 2017. GAURAV MAHESHWARI is registered with Insolvency & Bankruptcy Board of India vide registration number IBBI/RV/11/2021/14432.

Registered Valuer's primary membership is registered with Divya Jyoti Registered Valuers Organization vide registration no DJF/RVO/10632/2020-21/SFA.

5. VALUATION STANDARDS

The fair value has been arrived in accordance with the international valuation standard adopted by Divya Jyoti Registered Valuers Organization and following the internationally accepted valuation methods.

6. LIMITATION, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMER

- a) The course of our analysis, we have relied on financial and operational data provided by management of LLP, together with information from public sources and Valuation Report of Other Valuers Without independent verification, we have relied upon these data as accurately reflecting the results of the operations and financial position of LLP and matters and items of relevance for the valuation. We assume that management of LLP and Valuers have not omitted or misstated any factors of relevance. Any such omissions or misstatements may materially affect our conclusions. We take no financial or legal responsibility for the completeness or accuracy of the information that this report is based on.
- b) This engagement doesn't cover our representation / presence on behalf of the LLP for projections and assumptions made in their part, before any statutory authorities.
- c) By its very nature, valuation work cannot be regarded as an exact science and given the same set off acts and using the same assumptions, expert opinions may differ due to the number of separate judgment decisions, which have to be made. There can therefore be no standard formula to establish an indisputable value, although certain appropriate formula are useful in establishing reasonableness.
- d) In furnishing the Report, the Valuer reserves the right to amend or replace the Report at any time. Our views are necessarily based on economic, market, and other conditions currently in effect and the information made available to us, as of the date hereof. It should be understood that subsequent developments may affect our views and that we do not have any obligation to update, revise, or reaffirm the views expressed in the Report. Nothing contained within the Report is or should be relied upon as a promise or representation as to the future.

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- e) Valuation is based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material. Consequently, this information cannot be relied upon to the same extent as that derived from audited accounts for completed accounting periods. We express no opinion as to how closely the actual results will correspond to the results projected.
- f) This Report does not look into the business/commercial reasons behind the transaction nor the likely benefits arising out of the same. In addition, we express no opinion or recommendation, and the stakeholders are expected to exercise their own discretion.
- g) Our conclusions are based on the assumptions and information given by or on behalf of LLP and reliance on public information. The Management of LLP has indicated to us that they have understood that any omissions, in accuracies or misstatements may materially affect our valuation analysis; results. Accordingly, we assume no responsibility for any errors in the information furnished by LLP and their impact on the Report. Nothing has come to our attention to indicate that the information provided was materially incorrect or would not afford reasonable grounds upon which to base the Report.
- h) We have no present or planned future interest in the LLP and the fee for this Valuation analysis is not contingent upon the values reported herein.
- i) The report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein. The scope of our work has been limited both in terms of the areas of the business and operations which wherever we and the extent to which we have viewed them. There may be matters, other than those noted herein, which might be relevant in the context of the transaction and which a wider scope might uncover.
- j) The Valuation is required solely for non-financial reporting purposes and would not be used to determine the carrying value of the relevant assets/ (liability) in any financial statement.
- k) We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the Valuation, This Report is not a substitute for the third party's own due diligence; appraisal; enquiries; independent advice that the third party should undertake for his purpose.
- l) We have obtained from the signed copy of Disclaimer (**ANNEXURE-II**) from the Management.

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7. APPROACH AND METHODOLOGY

It should be understood that the valuation of any LLP / business or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of LLP. Further, this Valuation will fluctuate with lapse of time, changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of LLP, and other factors which generally influence the valuation of Businesses and their assets.

The following are commonly used and accepted methods for determining the value of the business:

A) Market Approach

a. Market Price Method

The market price of an equity share / Debenture / Business as quoted on a stock exchange is normally considered as the value of the Equity Shares / debentures / business of that LLP where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares/debentures. But there could be situations where the value of the securities as quoted on the stock market would not be regarded as a proper index of the fair value of the securities, especially where the market values are fluctuating in a volatile capital market.

LLP being Unlisted LLP does not have any security listed on any recognized stock exchange in India. Accordingly, the Market Price Method has not been adopted for the Valuation.

b. Comparable Business 'Quoted Multiple ('CCM') Method

Under this method, value of the security of a LLP is arrived at by using multiples derived from valuations of comparable Businesses, as manifest through stock market valuations of listed Businesses. 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 between the circumstances.

Given this background, we have not adopted the CCM approach for the purpose of Valuation as sufficient information is not available in public domain.

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c. **Comparable Businesses 'Transaction Multiple ('CTM') Method**

Under this method, value of the securities of a LLP / business is arrived at by using multiples derived from valuations incomparable Businesses, as manifest through transaction on valuations. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

The CTM approach has not been adopted for the purpose of our analysis as sufficient information is not available in the public domain.

B) **Income Approach –**

a. **Discounted Cash Flows ('DCF') Method**

Under the DCF method, the projected free cash flows to the business are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm. Using the DCF analysis involves determining the following:

- Estimating future free cash flows.
- Free cash flows are the cash flows expected to be generated by the LLP that are available to the providers of the LLP's capital and debt.
- Appropriate discount rate to be applied to cash flows i.e., the weighted average cost of capital; this discount rate, which is applied to the free cash flows to the firm, should reflect the opportunity cost to the debt providers and equity capital providers (namely shareholders). The opportunity cost to the equity capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk. Cost of debt is typically based on market rates.
- Weighted Average Cost of Capital of LLP determined at **16.79%**, after the explicit period, the business will continue to generate cash. In DCF Method, therefore, perpetuity values also considered to arrive at the business value. For arriving at the perpetuity value, we have considered a growth rate of **5%**, such growth rate is reasonable considering the growth projected by the LLP and the industry in which the LLP operates.

C) **Asset Approach – Net Asset Value ('NAV') Method**

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the firm is to be liquidated i.e., it does not meet the "going concern" criteria or in case where the assets base exceeds earnings capability or where the future projections cannot be ascertained reasonably. Accordingly, NAV Method has not been applied in this valuation.

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8. NATURE AND SOURCES OF THE INFORMATION USED OR RELIED UPON

For the purpose of this valuation, we have relied upon the undermentioned information and other data supplied by the management of the LLP and other sources believed to be reliable:

- Audited Financial Statements of as on March 31, 2023.
- Management Certified Projected Profit and Loss Statement and Balance Sheet for the period from FY 2023-24 to FY 2027-28.
- Management Representation Letter dated 05th August 2023.
- Such other information and explanation as required by us and provided by the management. We have also placed reliance on the verbal explanations and information given to us by the promoters of the LLP.

9. CONCLUSION

Based on the information provided by the LLP and on valuation technique use as opted as above we conclude that-

The Total Valuation of the LLP has been derived at **Rs. 156.17 Crore** /-. The detailed calculation sheet is enclosed here with as **Annexure-I**.

10. CONFIDENTIALITY

This report and the information contained herein are absolutely confidential and are intended for the sole use and information of the Stakeholders and the Designated Partners of LLP and for providing selection formation, only in connection with the purpose set out in the report. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued.

Gaurav



GAURAV MAHESHWARI
Registered Valuer
IBBI/RV/11/2021/14432
DJF/RVO/10632/2020-21/SFA
Date: 12.08.2023
Place: Jaipur

Annexure-I

Valuation of the LLP

as per Discounted Cash Flow (DCF) Method

a. Calculation of DCF:

Amount In Cr

Particulars	F.Y23-24	F.Y24-25	F.Y25-26	F.Y26-27	F.Y27-28
Profit After Tax (PAT)	7.72	7.38	10.23	11.04	14.09
Add: Book Depreciation	1.41	1.23	1.07	0.93	0.82
(Inc)/Dec in Working Capital other than Cash	6.58	4.15	8.87	9.34	9.32
Operating Cash Flows	15.71	12.75	20.17	21.32	24.23
Inc/(Dec) in Long Term Debts	(1.38)	(0.48)	(0.27)	0.00	0.00
(Inc)/Dec in Fixed Assets	(0.10)	(0.10)	(0.10)	(0.10)	(0.10)
Free Cash Flows	14.23	12.18	19.79	21.22	24.13
Discounting Period	1.00	2.00	3.00	4.00	5.00
Discounting Factor	0.8562	0.7331	0.6277	0.5375	0.4602
Present Value of FCF	12.18	8.93	12.42	11.41	11.10

b. Calculation of Valuation of LLP:

Summary	Amt.in Cr
PV of Total Discrete Period Cash Flows	56.04
PV of Terminal Cash Flows	98.88
Operating Value of LLP	154.92
Add: Cash Balance	1.25
Total Value of LLP (In Crore)	156.17

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ANNEXURE - II

1. Validity of the publication or report: The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). I/ We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, I/ we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 90 days from the date of issuance of this valuation report, or such earlier date if you become aware of any factors that have any effect on the valuation.

All opinions and estimates in this publication or report are, regardless of source, given in good faith, and may only be valid as of the stated date of this publication or report and are subject to change without notice.

2. Market Conditions: The party 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 date of valuation.

3. Privacy Laws: By reason of the operation of privacy laws, the valuer's enquiries in respect of recent transactions have been constrained. Accordingly, the valuer may not have had access to information on recent transactions which has not yet been published in information sources available to the valuer. If other transactions have taken place, knowledge of those transactions may affect the opinions expressed by the valuer. To the best of my knowledge and belief the statements and opinions in this report are correct and the information provided by others is accurate. However, no responsibility is assumed for its accuracy, which should be checked by appropriate report, search or formal enquiry if required. No responsibility is assumed for matters of a legal nature and the right to expert testimony as part of providing this valuation is expressly excluded.

4. Improvements: It should be noted that I am not an engineer, a plant and equipment, building construction or structural expert and I am therefore unable to certify as to the (structural) soundness of the improvements. I am not qualified to comment on the structural integrity, defect, rot or infestation of the improvements.

5. non-binding advice: The recommendation(s) rendered in the Report only represent our recommendation(s) based upon information furnished by the LLP (or its executives / representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice. We have no obligation to update this Report.

6. Responsibility: We have provided our recommendation of the Valuation based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for value at which the Proposed Transaction shall take place will be with the Designated Partners of the LLP, who should take into account other factors such as their own assessment of the proposed Transaction and input of other advisors.

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7. **Variation:** Valuation is based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates, and the variations may be material.

8. **No responsibility (Business plan/forecasts received from client without applying test of reasonability and diligence):** We have relied on the written representations from the management that the information contained in this report is materially accurate and complete in the manner of its portrayal and therefore forms a reliable basis for the valuation. In accordance with our work order and the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us. We have not independently investigated or otherwise verified the data provided by the LLP. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements... Accordingly, we assume no responsibility for any errors in the information furnished by the LLP and their impact on the Report.

9. **No consideration to legal matters (Forecasts received from client without applying test of reasonability and diligence):** The Report assumes that the LLP complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated and will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Valuation Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/unaudited carved out balance sheet.

10. **Scope of work:** Our scope of work did not include checking the adequacy of the carved out financial statements of the LLP and the specified projects and this is the responsibility of the Management and we have assumed these to be correct.

11. **Limitations:** We are not advisors with respect to accounting, legal, tax and regulatory matters for the proposed transaction. This Report does not look into the business/commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

12. **Responsibility:** We owe responsibility to only the Designated Partners of the LLP that has appointed us under the terms of our work order and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the LLP. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on the part of the LLP, its Designated Partners, employees or agents. Unless specifically agreed, in no circumstances shall the liability of the Valuer, its partners, its designated Partners or employees,

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relating to the services provided in connection with the engagement set out in this Report exceed the amount paid to the Valuer in respect of the fees charged by it for these services.

13. Contingent liabilities: We have relied on the judgment of the management as regards contingent and other liabilities. Accordingly, our valuation does not consider the assumption of contingent liabilities other than those given to us as likely to crystallize. If there were any omissions, inaccuracies or misrepresentations of the information provided to us, it may have the effect on our valuation computations.

14. Error: The information and material presented in the report are provided for informational purposes only and are not to be used or considered as an offer or a solicitation to sell or buy or subscribe for securities or other financial instruments or any advice or recommendation with respect to such securities or other financial instruments. Neither the valuer nor any of its affiliates makes any representation or warranty or guarantee as to the completeness, accuracy, timeliness or suitability of any information contained within any part of the Report nor that it is free from error. The valuer does not accept any liability (whether in contract, tort or otherwise howsoever and whether or not they have been negligent) for any loss or damage (including, without limitation, loss of profit), which may arise directly or indirectly from use of or reliance on such information.

15. No individual investment or tax advice: This publication or report has been prepared as general information for private use of investors to whom the publication or report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor bears the risk of losses in connection with an investment. Before acting on any information in this publication or report, it is recommendable to consult one's financial advisor. The information contained in this publication or report does not constitute advice on the tax consequences of making any particular investment decision.

16. Sources: This publication or report may be based on or contain information, such as opinions, recommendations, estimates, price targets and valuations which emanate from the valuer's analysts or representatives, publicly available information, information from other units or other named sources. To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than the valuer ("External Information"), the valuer has deemed the other Sources to be reliable but neither the valuer in the Group, others associated or affiliated with said Businesses nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

17. Limitation of liability: The valuer assumes no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this publication or report. In no event will entities of the Group or other associated and affiliated Businesses be liable for direct, indirect or incidental, special or consequential damages resulting from the information in this publication or report.

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18. **Risk information:** The risk of investing in certain financial instruments is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant LLP, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized.

19. **Conflicts of interest:** The valuer may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any LLP mentioned in the publication or report. To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of the valuer are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of the Group Businesses and personal account dealing.

20. **Variation:** Security pricing may vary from actual liquidation value, and custodial statements. Prices shown should only be used as a general guide to portfolio value. Cash shown in the Report may not necessarily be available for investment due to unsettled transactions against your account.

21. **Taxation:** The levels and bases of taxation may change, and the Report should not be relied upon for tax purposes. Positions are reflected as of trade date and may differ from account statements, which reflect positions as of settlement date. Gains and losses may be higher or lower if cost bases for securities in your account are not available, as the valuer may assume this to be zero or if sourced from different tax information at multiple custodians.

22. **Responsibility for information provided by third parties:** The valuer does not accept any responsibility or liability for information provided by third parties. Official confirmation of portfolio holdings with these parties and issues arising from information they have provided must be addressed directly with them.

Gaurav



VALUATION REPORT

**REPORT ON VALUE OF
SHARES TRANSFER
OF
AGL INDUSTRIES LIMITED**



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Summary Report

1. Date of Valuation : 31st March 2023
2. Date of appointment : 01st August, 2023
3. Date of submission of the Valuation Report : 08th August, 2023

The said valuation assignment has been conducted for the purpose of computing the Value per Equity shares to be transferred by existing shareholders (herein after referred to as "Proposed Transaction") of **AGL INDUSTRIES LIMITED** (herein after referred to as "Company") The Purpose is to determine the fair market value of unquoted equity shares of Valuation for Transfer of Shares in terms of the provisions of 50CA of the Income-tax Act, 1961 (I.T Act) read with Rule 11UA of the Income-tax Rules, 1962

The Value per Equity Share ascertained by us is 63.74/- per share.

For and on behalf of

(Sejal Ronak Agrawal)
IBBI/RV/06/2020/13106
Membership No : 141498
Regd. Valuer – Securities & Financial Assets
UDIN : 23141498BGSGUS4361





Executive Summary

Client	AGL INDUSTRIES LIMITED
Corporate Identification Number(CIN)	U24220GJ2013PLC074983
Valuation Date	31 st March,2023
Date of Report	08 th August,2023
Appointed Date	01 st August,2023
Purpose of Valuation	The Purpose is to determine the fair market value of unquoted equity shares of Valuation for Transfer of Shares in terms of the provisions of 50CA of the Income-tax Act, 1961 (I.T Act) read with Rule 11UA of the Income-tax Rules, 1962.
Base of Valuation	: Fair Value ICAI Valuation Standards" (IVS) 102
Premise of Valuation	: Going Concern ICAI Valuation Standards" (IVS) 102
Valuation Approach	: Cost Approach
Method for Valuation	Net Assets Method
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	U24220GJ2013PLC074983
Company Name	AGL INDUSTRIES LIMITED
ROC Code	RoC-Ahmedabad
Registration Number	074983
Company Category	Company limited by Shares
Company SubCategory	Non-govt company
Class of Company	Public
Authorised Capital(Rs)	100000000
Paid up Capital(Rs)	18760000
Date of Incorporation	09/05/2013
Registered Address	202, Dev Arc, Opp. Iskon Temple, S.G. Highway Ahmedabad Ahmedabad GJ 380015 IN





The Board of Directors of the company are as follows:

DIN	Name	Begin Date
00100069	KAMLESHBHAI MAVJIBHAI PATEL	30/12/2019
01995353	VIPULKUMAR VINODBHAI PATEL	30/12/2019
02257442	GIRISHBHAI MANILAL PATEL	09/05/2013

Share Holding of Equity Shares as on 31st March,2023:

Equity Share Holders			
Sr. No	Name of Shareholders	No. Of Equity Shares	% Share Holding
1	ASIAN GRANITO INDIA LIMITED	1,876,000	100.00%
	Total	1,876,000	100.00%





Caveats, Limitation 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 unauthorised 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 willful 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

We have been appointed for the purpose of computing the Value per Equity Shares to be transferred by existing shareholders (herein after referred to as "Proposed Transaction") of **AGL INDUSTRIES LIMITED** (herein after referred to as "Company") The Purpose is to determine the fair market value of unquoted equity shares of Valuation for Transfer of Shares in terms of the provisions of 50CA of the Income-tax Act, 1961 (I.T Act) read with Rule 11UA of the Income-tax Rules, 1962.

Scope of Work and Bases of Valuation

Our scope of work involved determination of the fair market value of unquoted Equity shares of AGL INDUSTRIES LIMITED a company registered under the Companies Act 2013. The valuation report is based on the information and documents provided by the client and information collected independently by us. We have agreed to determine the value per equity shares of the company as on date **31st March, 2023** for the purpose of arriving at the fair market value.

As per the engagement letter, 1st August, 2023 we were required to follow established methods of valuation of the shares i.e. market value or DCF or cost. As required by ICAI Valuation Standards, we have considered possible and appropriate methods of valuation of shares and provided adequate disclosure of the same in our report.

The Valuation Currency for this Valuation Report is Indian Rupees.

Appointing Authority

Management of **AGL INDUSTRIES LIMITED** appointed Sejal Agrawal (Registered Valuer cum Chartered Accountant) for valuation of Equity Shares.

Disclosure of Registered Valuer's Interest

I have no present or prospective contemplated financial interest in the company nor any personal interest with respect to the Promoters & Board of Directors of the company. 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 Company is on going 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 Company 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 FY 2022-23.
- A signed management representation letter stating the details are based on best estimates and judgement of the management.
- Discussions with the Management in connection with the current status of the operations of the Company, regulatory framework, future plans and prospects, etc. in relation to the Business
- Other information, explanations and representations that were required and provided by the Management
- Such other analysis, reviews, and inquiries as we considered necessary.

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

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

The Discounted Cash Flow Method involves forecasting the Free Cash Flows Available to Firm (FCFF) & Estimated Terminal Value of the Business and discounted back to the valuation date with Weighted Average Cost of Capital (WACC) for the company to arrive at the Enterprise Valuation of the Business of the company. The Funds Available to the shareholders of the company are estimated after adjusting the Enterprise Valuation for Value of Non-core Assets and Liabilities.

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 utilises 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, utilises 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 are unable to carry out the valuation of the company using the market approach due to non-availability of the sufficient and reliable information on the market comparable for the similar company engaged in the similar business with respect to capacity of production of craft papers, similar profit margins for which adjustments might not be feasible. Further Considering the facts that shares to be valued are unlisted, valuation under the Market approach is impractical or unreliable or not advisable.
- We have not used DCF method Considering the current economic scenario, the industry to which the Company belongs and the business ecosystem of the Company, expected free cash flow cannot be determined judiciously.
- The Net Asset Value is generally used as the minimum break-up value for the transaction and looking to the purpose of Valuation, Cost approach is the preferred method for the valuation.

Valuation using Cost Approach- Net Asset Method

For computing the Value per Equity Shares using Net Asset Method, we have adopted the method as per 11UA rule of Income Tax Rules

The calculation under this method has been presented in **Annexure A**.





ANNEXURE – A

AGL INDUSTRIES LIMITED WORKING

ANNEXURE-A	
IN LAKHS	
Statement showing determination Fair Market Value of Unquoted Equity Shares as per Rule 11UA of Income Tax Rules	
Fair market value of unquoted equity shares =	$\frac{(A+B+C+D)-(L)*(PV)}{(PE)}$
	63.74
Adjustment to (A+B+C+D) (Asset)	
Book Value of Asset (A+B+C+D)	1,195.74
Less :	
i) Amount of tax as TDS/TCS/Advance Tax (reduced by amount of tax claimed as refund)	-
ii) Unamortised amount of Deferred Expenditure	
Adjusted Asset	1,195.74
Adjustment to L (Liability)	
Book Value of Liability	393.02
Less :	
i) Paid-up capital in respect of equity shares	187.60
ii) Amount set a part for dividend	
iii) Reserve and surplus	200.42
iv) Provision of tax	5.00
v) Provision for expense other than ascertained liabilities	-
vi) Contingent liabilities other than arrears of dividend payable	-
Adjusted Liability	(0.00)
PE Total amount of paid up equity share capital as shown in the balance sheet	187.60
PV The paid up value of such equity shares	10





A	Assets	AMOUNT (RS)
1	Cash and cash Equivalentts	227.69
2	Short Term and Long Term Loans and Advances	100.39
3	Inventories	17.87
4	Trade Receivable	38.66
5	Other Current Assets	2.16
6	Other Financial Assets	1.25
	TOTAL	388.02

B	Jewellery and Artistic work	AMOUNT (RS)
	TOTAL	-

C	Non Current Investments	AMOUNT (RS)
	Non Current Investments	
	Quoted Investments	
	Unquoted Investments	
	(50000 Shares of Power grace Industries Ltd) (Annexure B)	807.72
	TOTAL	807.72

D	Immovable Properties [Based on Jantri value]	AMOUNT (RS)
	Immovable Properties	
	Lease Hold Land	
	(Jantri Value or Cost WEH)	
	TOTAL	-



ANNEXURE-B	
IN LAKHS	
<u>Statement showing determination Fair Market Value of Unquoted Equity Shares</u> <u>as per Rule 11UA of Income Tax Rules</u>	
Fair market value of unquoted equity shares =	$(A+B+C+D)-(L)*(PV)$ (PE) 1,615.44
Adjustment to (A+B+C+D) (Asset)	
Book Value of Asset (A+B+C+D)	1,156.94
Less :	
i) Amount of tax as TDS/TCS/Advance Tax (reduced by amount of tax claimed as refund)	-
ii) Unamortised amount of Deferred Expenditure	3.81
Adjusted Asset	1,153.13
Adjustment to L (Liability)	
Book Value of Liability	1,156.94
Less :	
i) Paid-up capital in respect of equity shares	5.00
ii) Amount set a part for dividend	
iii) Reserve and surplus	746.22
iv) Provision of tax	60.31
v) Provision for expense other than ascertained liabilities	
vi) Contingent liabilities other than arrears of dividend payable	-
Adjusted Liability	345.41
PE Total amount of paid up equity share capital as shown in the balance sheet	5.00
PV The paid up value of such equity shares	10





A	Assets	AMOUNT (RS)
1	Cash and cash Equivalents	366.39
2	Other Bank Balances	3.14
3	Short Term and Long Term Loans and Advances	0.15
3	Inventories	198.40
4	Trade Receivable	454.10
5	Other Current Assets	42.34
6	Other Financial Assets	2.18
7	Deferred Tax Assets	3.81
8	Fixed assets other than Immovable properties	86.43
	TOTAL	1,156.94

B	Jewellery and Artistic work	AMOUNT (RS)
	TOTAL	-

C	Non Current Investments	AMOUNT (RS)
	Non Current Investments	
	Quoted Investments	
	Unquoted Investments	
	TOTAL	-

D	Immovable Properties [Based on Jantri value]	AMOUNT (RS)
	Immovable Properties	
	Lease Hold Land	
	(Jantri Value or Cost WEH)	
	TOTAL	-





We trust the above meets your requirements.

Thanking you,



Sejal Agrawal
Registered Valuer

M No: 141498

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

(IP, RV, FCA, FCS, DISA, Forensic Audit and Fraud Detection, Ind-AS, Concurrent Audit)

Address: 7, Ritu Apartment, Nilima Park Soc.,
Bhairavnath Road, Mainnagar
Ahmedabad-380008

Mob: 9687672506

Email: swiftsejal@gmail.com

VALUATION REPORT

**REPORT ON VALUE OF
SLUMP SALE OF
BUSINESS
UNDERTAKING OF
ASIAN GRANITO INDIA LIMITED
(MARBLE & QUARTZ DIVISION)**



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Summary Report

1. Date of Valuation : 31st March 2023
2. Date of appointment : 10th August, 2023
3. Date of submission of the Valuation Report : 12th August, 2023

The said valuation assignment has been conducted for the purpose of **ASIAN GRANITO INDIA LIMITED - MARBLE & QUARTZ DIVISION** (Hereinafter referred to as '**Business Undertaking**') to ascertain the net-worth of the Business Undertaking for the proposed transaction of Slump Sale as per Section 50B on the Income tax act, 1961.

The Value ascertained by us is Rs. 10188.12 Lakhs

For and on behalf of

(Sejal Ronak Agrawal)



IBBI/RV/06/2020/13106
Membership No : 141498
Regd. Valuer – Securities & Financial Assets
UDIN : 23141498BGSGUZ5760



Executive Summary

Client	ASIAN GRANITO INDIA LIMITED (MARBLE & QUARTZ DIVISION)
Corporate Identification Number(CIN)	U26990GJ2022PTC129159
Valuation Date	31 st March,2023
Date of Report	12 th August,2023
Appointed Date	01 st August,2023
Purpose of Valuation	The Purpose is to determine the net-worth of the Business Undertaking for the proposed transaction of Slump Sale as per Section 50B of the Income tax act,1961.
Base of Valuation	: Fair Value ICAI Valuation Standards" (IVS) 102
Premise of Valuation	: Going Concern ICAI Valuation Standards" (IVS) 102
Valuation Approach	: Cost Approach
Method for Valuation	Net Assets Method
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	L17110GJ1995PLC027025
Company Name	ASIAN GRANITO INDIA LIMITED
ROC Code	RoC-Ahmedabad
Registration Number	027025
Company Category	Company limited by Shares
Company SubCategory	Non-govt company
Class of Company	Public
Authorised Capital(Rs)	1400000000
Paid up Capital(Rs)	1267453160
Date of Incorporation	08/08/1995
Registered Address	202, Dev Arc Opposite Iskon Temple, Ahmedabad GJ 380059 IN

Asian Granito India Limited, incorporated in 2000 is engaged in manufacturing of Ceramic Wall and Floor Tiles, Glazed Vitrified Tiles, Polished Vitrified Tiles, Composite Marble and Quartz.

The shares of the Company are listed on BSE Ltd. ("BSE") and National Stock Exchange of India Limited ("NSE"). Based on the trading data available on the respective Stock Exchanges during the preceding 90 trading days prior to the relevant date. The highest trading volume is recorded on NSE.





The Board of Directors of the company are as follows:

DIN	Name	Begin Date
229700	KAMLESHKUMAR BHAGUBHAI PATEL	07/02/2022
386852	KANUBHAI BHIKHABHAI PATEL	07/02/2022
6862335	SAUNAKKUMAR MUKESHKUMAR PATEL	07/02/2022

Share Holding of Equity Shares as on 31st March,2023:

Equity Share Holders			
Sr. No	Name of Shareholders	No. Of Equity Shares	% Share Holding
1	Promoters	36775317	29.02%
2	Public	89969999	70.98%
	Total	126745316	100.00%





Caveats, Limitation 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 unauthorised 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**

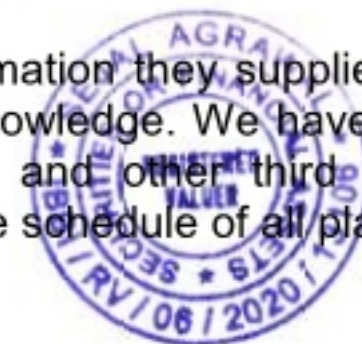
We do not provide assurance on the achievability of the results forecast by the management as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected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

We have been appointed by **ASIAN GRANITO INDIA LIMITED (MARBLE & QUARTZ DIVISION)** (herein after referred to as "*Company*") The Purpose is to ascertain the net-worth of the Business Undertaking for the proposed transaction of Slump Sale as per Section 50B on the Income-tax act, 1961.

The company proposed to transfer Marble and Quartz division on a slump sale basis to its wholly owned subsidiary to enable better realization of potential of the businesses and other business considerations.

Under the present facts, the proposed slump sale of Marble and Quartz division is from the holding company (AGL) to its wholly owned subsidiary - Amazoone Ceramics Limited (Amazoone) and as a result of which, post slump sale, the economic and beneficial ownership in such Marble and Quartz business continues to rest with the Holding Company.

Post such transfer, the interest of the shareholders of would not be prejudicially affected based on the consideration attributed to each of such business. Accordingly, the Management of both the companies (AGL and Amazoone) has represented that valuation of Marble and Quartz undertaking being Transferred be conducted based on net-worth as on March 31, 2023 in accordance with the provisions of Section 50B of the Income-tax Act, 1961.

Scope of Work and Bases of Valuation

Our scope of work involved determination of the fair market value of ASIAN GRANITO INDIA LIMITED (MARBLE & QUARTZ DIVISION) a company registered under the Companies Act 2013. The valuation report is based on the information and documents provided by the client and information collected independently by us. We have agreed to determine the value of the company as on date **31st March, 2023** for the purpose of arriving the net-worth value in accordance with the provisions of Section 50B of the Income-tax Act, 1961.

As per the engagement letter dated 10th August, 2023 we were required to follow established methods of valuation. As required by ICAI Valuation Standards, we have considered possible and appropriate methods of valuation and provided adequate disclosure of the same in our report.

The Valuation Currency for this Valuation Report is Indian Rupees





Appointing Authority

Management of **ASIAN GRANITO INDIA LIMITED (MARBLE & QUARTZ DIVISION)** appointed Sejal Agrawal (Registered Valuer cum Chartered Accountant) for valuation.

Disclosure of Registered Valuer's Interest

I have no present or prospective contemplated financial interest in the company nor any personal interest with respect to the Promoters & Board of Directors of the company. 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 Company is on going 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 Company 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 FY 2021-22.
- Audited financial statements of the Company for FY 2022-23.
- Management certified financial statements of Marble & Quartz Division for FY 2022-23.
- Management certified WDV of the block of assets as per Income-tax Act as on 31 March 2023.





- A signed management representation letter stating the details are based on best estimates and judgement of the management.
- Discussions with the Management in connection with the current status of the operations of the Company, regulatory framework, future plans and prospects, etc. in relation to the Business
- Other information, explanations and representations that were required and provided by the Management
- Such other analysis, reviews, and inquiries as we considered necessary.

Valuation Methodology and Approaches

In valuing the Value 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.
7. 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:





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

The Company is Listed in NSE and BSE both. However, this Valuation report is issued for a particular division of Asian Granito India Limited. We are unable to carry out the valuation of the company using the market approach due to non-availability of the sufficient and reliable information relating to particular division, valuation under the Market approach is impractical or unreliable or not advisable.





The process of slump sale has been initiated with the view to bringing operations of the transferor Company division under one umbrella and strengthening their long term viability. Further, the proposed slump sale of Marble and Quartz division is from the holding company (AGL) to its wholly owned subsidiary (Amazoone) and as a result of which, post slump sale, the economic and beneficial ownership in such Marble and Quartz business continues to rest with the Holding Company. Thus Discounted Cash Flow method is not preferred.

- We have determined the net-worth of the Business Undertaking for the proposed transaction of Slump Sale as per Section 50B on the Income tax act, 1961

Net-worth of the Business Undertaking in accordance with Section 50B of the Income-tax Act, 1961

For computing the Net-worth, we have adopted the method as per Section 50B of Income-tax Act 1961

The calculation under this method has been presented in **Annexure A**.





ANNEXURE – A

ASIAN GRANITO INDIA LIMITED (MARBLE & QUARTZ DIVISION) WORKING

Asian Granito India Limited		
MARBLE & QUARTZ DIVISION		
Net Asset as on 31.03.2023		(₹ in Lakhs)
Particulars		As at March 31, 2023
I ASSETS		
1 Non-Current Assets		
Property, Plant and Equipment (Income-tax WDV as on 31 March 2023 as certified by the (a) Management)		3,949.06
Total Non-Current Assets		3,949.06
2 Current Assets		
(a) Inventories		4,783.53
(b) Financial Assets		
(ii) Trade Receivables		2,885.40
(iii) Cash and Cash Equivalents		425.25
(v) Loans		4.86
(vi) Other Financial Assets		0.71
(c) Other Current Assets		219.73
Total Current Assets		8,319.48
Total Assets	A	12,268.54
2 LIABILITIES		
(ii) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings		2,040.51
(b) Other Current Liabilities		39.91
Total Current Liabilities		2,080.42
Total Liabilities	B	2,080.42
Net Assets Value	A-B	10,188.12





We trust the above meets your requirements.

Thanking you,



Sejal Agrawal

Registered Valuer

M No: 141498

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

(IP, RV, FCA, FCS, DISA, Forensic Audit and Fraud Detection, Ind-AS, Concurrent Audit)

Address: 7, Ritu Apartment, Nilima Park Soc.,
Bhairavnath Road, Mainnagar
Ahmedabad-380008

Mob: 9687672506

Email: swiftsejal@gmail.com

VALUATION REPORT

**REPORT ON VALUE OF
OPTIONALLY
CONVERTIBLE
PREFERENCE SHARES
OF
AMAZOONE CERAMICS LIMITED**



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Summary Report

1. Date of Valuation : 12th August, 2023
2. Date of appointment : 10th August, 2023
3. Date of submission of the Valuation Report : 12th August, 2023

The said valuation assignment has been conducted of **AMAZOONE CERAMICS LIMITED** (herein after referred to as "Company") for the purpose to estimate the fair value for further issuance of securities at which proposed transaction in a company would take place pursuant to section 55 of the Companies Act 2013 and the valuation guidelines stipulated under ICAI Valuation standards.

The Value per OCPS Share ascertained by us is **Rs 100/-** per share.

For and on behalf of

(Sejal Ronak Agrawal)

IBBI/RV/06/2020/13106
Membership No : 141498
Regd. Valuer – Securities & Financial Assets
UDIN :



Executive Summary

Client	AMAZOONE CERAMICS LIMITED
Corporate Identification Number(CIN)	U26933GJ2003PLC042959
Valuation Date	12th Aug, 2023
Date of Report	12th Aug, 2023
Appointed Date	10 th Aug,2023
Purpose of Valuation	The purpose to estimate the fair value for further issuance of securities at which proposed transaction in a company would take place pursuant to section 55 of the Companies Act 2013 and the valuation guidelines stipulated under ICAI Valuation standards.
Base of Valuation	: Fair Value ICAI Valuation Standards” (IVS) 102
Premise of Valuation	: Going Concern ICAI Valuation Standards” (IVS) 102
Valuation Approach	: Income Approach
Method for Valuation	: Discounted Cash Flow (Dividend Discount Model)
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

Amazoone Ceramics Limited is a Public incorporated on 25 September 2003. It is classified as Non-govt company and is registered at Registrar of Companies, Ahmedabad. Its authorized share capital is Rs. 340,000,000 and its paid up capital is Rs. 298,984,576. It is involved in Manufacture of non-metallic mineral products n.e.c.

Amazoone Ceramics Limited's Corporate Identification Number is (CIN) U26933GJ2003PLC042959 and its registration number is 42959. Its Email address is infoamazoone@gmail.com and its registered address is Block No. 83 (old Block No.450), At: Dalpur Taluka: Prantij, District: Sabarkantha Prantij Sabar Kantha GJ 383120 IN .

CIN	U26933GJ2003PLC042959
Company Name	AMAZOONE CERAMICS LIMITED
ROC Code	RoC-Ahmedabad
Registration Number	042959
Company Category	Company limited by Shares
Company Sub Category	Non-govt company
Class of Company	Public
Authorized Capital (Rs)	340000000
Paid up Capital (Rs)	298984570
Date of Incorporation	25/09/2003
Registered Address	Block No. 83 (old Block No.450), At: Dalpur Taluka: Prantij, District: Sabarkantha Prantij Sabar Kantha GJ 383120 IN



The Board of Directors of the company are as follows:

DIN	Name	Begin Date
00229700	KAMLESHKUMAR BHAGUBHAI PATEL	01/01/2022
00314065	KANDARP GANJENDRA TRIVEDI	12/08/2015
00406744	MUKESHBHAI JIVABHAI PATEL	01/01/2022
00564105	MAGANLAL PRAJAPATI	01/01/2022
01995353	VIPULKUMAR VINODBHAI PATEL	07/09/2012
02257442	GIRISHBHAI MANILAL PATEL	06/01/2016
05318463	SHOBHA BHARTI	30/06/2018
DABPS5644L	ROSHNI DHARMENDRABHAI SHAH	08/11/2022
ANOPB4022C	RAJIVKUMAR ISHWARLAL BAROT	30/01/2021

Share Holding of Equity Shares as on 31.03.2023:

Equity Share Holders			
Sr. No	Name of Shareholders	No. Of OPTIONALLY CONVERTIBLE PREFERENCE SHARES	% Share Holding
1	ASIAN GRANITO INDIA LTD	29,249,207	97.82%
2	Others	6,49,250	2.23%
	Total	29,898,457	100.00%



Caveats, Limitation 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 authorised 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 unauthorised 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 willful 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

We have been appointed for the purpose of computing of **AMAZOONE CERAMICS LIMITED** (herein after referred to as “Company”) for the purpose to estimate the fair value for further issuance of securities at which proposed transaction in a company would take place pursuant to section 55 of the Companies Act 2013 and the valuation guidelines stipulated under International Valuation standards.

Scope of Work and Bases of Valuation

Our scope of work involved determination of the fair market value of unquoted **OPTIONALLY CONVERTIBLE PREFERENCE SHARES** of **AMAZOONE CERAMICS LIMITED** a company registered under the Companies Act 2013. The valuation report is based on the information and documents provided by the client and information collected independently by us. We have agreed to determine the value per **OPTIONALLY CONVERTIBLE PREFERENCE SHARES** of the company as on date **12th Aug, 2023** for the purpose of arriving at the fair market value.

Based on management representation and terms of redemption, the Preference shares shall be redeemed at Rs. 100 after 9 years and 11 months. Our scope of work involves determining their present value based on the redemption price.

The Valuation is derived for the redemption option and for conversion option

As per the engagement letter 10th Aug,2023 we were required to follow established methods of valuation of the shares i.e. market value or DCF or cost. As required by ICAI Valuation Standards, we have considered possible and appropriate methods of valuation of shares and provided adequate disclosure of the same in our report.

The Valuation Currency for this Valuation Report is Indian Rupees.

Appointing Authority

Management of **AMAZOONE CERAMICS LIMITED** appointed Sejal Agrawal (Registered Valuer cum Chartered Accountant) for valuation of **OPTIONALLY CONVERTIBLE PREFERENCE SHARES**.



Disclosure of Registered Valuer's Interest

I have no present or prospective contemplated financial interest in the company nor any personal interest with respect to the Promoters & Board of Directors of the company. 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 Company is on going 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 Company 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 FY 2021-22.
- A signed Provisional Statement as on 31st March, 2023.
- A signed management representation letter stating the details are based on best estimates and judgement of the management.
- Discussions with the Management in connection with the current status of the operations of the Company, regulatory framework, future plans and prospects, etc. in relation to the Business
- Other information, explanations and representations that were required and provided by the Management
- Such other analysis, reviews, and inquiries as we considered necessary.

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

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

The Discounted Cash Flow Method involves forecasting the Free Cash Flows Available to Firm (FCFF) & Estimated Terminal Value of the Business and discounted back to the valuation date with Weighted Average Cost of Capital (WACC) for the company to arrive at the Enterprise Valuation of the Business of the company. The Funds Available to the shareholders of the company are estimated after adjusting the Enterprise Valuation for Value of Non-core Assets and Liabilities.



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 utilises 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, utilises 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 OPTIONALLY CONVERTIBLE PREFERENCE SHARES

The objective of the valuation, which is to determine the fair value of the OCPS based on the given redemption price i.e Rs. 100/-.

For calculating the convertible options, as per the terms, convertible option are kept open and Valuation would derived at the time of conversion.

To calculate the valuation of the Optionally Convertible Preference Shares (OCPS) as on the current date, we have only considered the redemption option for Valuation as represented by management and based on our scope of work.

Terms of Shares:

The terms and conditions of the proposed issue of Optionally Convertible Redeemable Preference Shares are as follows:

Nature of Security	9 %, OCRPS
Face Value	Rs.10
Voting rights	No Voting Rights
Dividend	9 %

Duration	9 years and 11 months
Redemption Terms and Redemption Terms	The Issuer has an option to either redeem the Optionally Convertible Preference Shares in one or more tranches at Rs. 100/- per OCPS (including



	<p>premium of Rs. 90/- per OCPS) or to convert each Optionally Convertible Preference Shares into such number of its equity shares as derived after considering the fair value of the equity shares on the date of conversion based on valuation report of a Registered Valuer at any time with in tenure of such Optionally Convertible Preference Shares.</p> <p>If the option is not exercised by the Issuer within the tenure of the Optionally Convertible Preference Shares, each Optionally Convertible Preference Shares shall be converted into such number of equity shares as derived after considering the fair value of the equity shares on the conversion based on Valuation report of the Registered Valuer at the end of the tenure of such Optionally Convertible Preference Shares.</p>
Listing	Unlisted Shares

Valuation using Income Approach- Dividend Discount Model

The calculation under this method has been presented in **Annexure A**.



ANNEXURE A

Particulars	
Valuation Date	08/26/2023
Discount Rate	9%
Face Value	10.00
Redemption Value	100.00
Dividend	9.00%
Duration	9 years and 11 months

Year	Rate	1	2	3	4	5	6	7	8	9	10
Value of Shares											100.00
Dividend	9%	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
		9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	109.00
Discount Rate	9%	0.92	0.84	0.77	0.71	0.65	0.60	0.55	0.50	0.46	0.42
Discounted Value		8.26	7.58	6.95	6.38	5.85	5.37	4.92	4.52	4.14	46.04

Summary	Amt (Rs.)
	Rs.
Present Value of Total Discrete Period Cash Flows	100.00
Value per Share	



We trust the above meets your requirements.

Thanking you,

Sejal Agrawal

Registered Valuer

M No: 141498

(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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