

GOLDSTAR POWER LIMITED



**MARCH
2025**

VALUATION REPORT OF EQUITY SHARES

SUBMISSION TOWARDS VALUATION OF EQUITY SHARES OF THE
COMPANY FOR THE PURPOSE OF ISSUE OF SHARES



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& Affiliates
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VALUATION REPORT

OF

EQUITY SHARES

Of



GOLDSTAR POWER LIMITED

Submitted to the management of the company, as a justified basis

MARCH 2025

Prepared By



Securities & Financial Assets • Plant & Machinery • Land & Building

New Delhi | Mumbai | Jaipur | Gurugram | Chandigarh | Ahmedabad | Indore | Bengaluru | Chennai | Kolkata

ABHINAV RAJVANSHI (IBBI Regd. Valuer)

Regn. Number: IBBI/RV/06/2019/11765

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<http://www.rajvanshica.in/ibbi-registered-valuers.html>

DISCLAIMER

The valuation exercise of Goldstar Power Limited (hereafter may be referred to as “the Company” or “GPL”) is being undertaken by Abhinav Rajvanshi at the request of Goldstar Power Limited. My report is subject to the scope and limitations detailed hereinafter. As such, the report is to be read in totality and not in parts.

The report has been based on the information provided by the company and from other sources believed to be reliable.

While the information contained herein is believed to be accurate, no representation or warranty expressed or implied is or will be made and no responsibility or liability will be accepted by us as to, or in relation to the accuracy or adequacy of information contained in this report. The opinions and recommendations in this report are provided in good faith.

The company accepts full responsibility for all the data and information pertaining to the valuation report and confirms that no material information that is vital for arriving at a decision for valuation has been suppressed or misstated while providing data / information to us.

This report has been prepared for with a limited purpose / scope, as identified / stated in the report and will be confidential and for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence of discussions with any person, except to whom it is issued and to those who are involved in the transaction and for various approvals for this transaction.

The information contained herein and our report is absolutely confidential. It is intended only for the purpose mentioned above. We are not responsible or monetarily liable to any person / party or for any decision of such person or party based on this report. Any person / party intending to invest in the company shall do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision. It is hereby notified that any reproduction, copying or otherwise quoting of this report or any part thereof can be done only with our prior permission in writing.

COVERING NOTE

To
Board of Directors
Goldstar Power Limited
Behind Ravi Patrolpumphigh-Way RD
AT & POST -HAPA, DIST Jamnagar 361120,
Gujarat, India, 361120

26th March, 2025

Re: Valuation Appraisal of Equity Shares issued by Goldstar Power Limited (hereinafter referred to as “GPL”) for the purpose of further issue.

Dear Sir,

I have been engaged to estimate the fair market value of the Equity Shares issued by the entity known as Goldstar Power Limited for the purpose of further issue of said equity shares as on 25th March, 2025. We have been engaged to estimate the fair market value of the Equity Shares of GPL. I have been given to understand that the company wishes to make preferential issue of equity shares.

The resulting estimate of value should not be used for any purpose or by any other party for any purpose other than the one identified above.

This conclusion is subject to the Statement of Assumptions and Limiting Conditions found in the later part of this report. A detailed working of the valuation can be found in later part of this report. We have no obligation to update this report or my conclusion of value for information that comes to my attention after the date of this report.

As per recent Amendment to Para 4 Para 4(a) of the Circular shall be replaced with the following: (a) “All listed entities are required to submit a valuation report from a Registered Amended clause -SEBI Circular dated 3 Nov 2020 enclosed Valuer.” For the purpose of this clause, the Registered Valuer shall be a person, registered as a valuer, having such qualifications and experience and being a member of an organization recognized, as specified in Section 247 of the Companies Act, 2013 read with the applicable Rules issued thereunder. Hence, the report of a registered valuer shall be required as per section 247 of the companies act, 2013 as well as SEBI Guidelines.

For the purpose of valuation, I was provided with the Provisional Financial Statements as on 30th September, 2024 and had received an explanation that there are no exceptional transactions entered by company which may affect the financial statements significantly from the period 30th September, 2024 till the date of the valuation report.

Rather than preparing as self-contained comprehensive report, I have provided a restricted use limited appraisal report, which is advisory in nature and intended to be used for valuation of shares & filing necessary documents with the Registrar of Companies. Please refer to the statement of limiting conditions contained in the report. For the purpose of valuation of shares for further issue of equity shares, *fair market value* is defined as the expected price at which the subject business would change hands between

a willing buyer and a willing seller, neither being under a compulsion to conclude the transaction and both having full knowledge of all the relevant facts.

I have appraised a fully marketable, controlling ownership interest in the assets of the subject business. The appraisal was performed under the premise of value in continued use as a going concern business enterprise.

The valuation is subject to the information provided to me as well as the assumptions and financial data which appear in the report. This report does not constitute offer or invitation to any section of the public to subscribe for or purchase any securities in or assets or liabilities of Goldstar Power Limited.

The reference date of valuation is 25th March, 2025. I have no obligation to update this report or revise this valuation because of events or transactions occurring subsequent to the date of this report.

Sincerely Yours,



Abhinav Rajvanshi

Registered Valuer

Regn. Number: IBBI/RV/06/2019/11765

UDIN: 25426357BMJLXD1001

ICAIRVO Membership: ICAIRVO/06/RV-P00125/2019-2020

ICAI Membership Number: 426357

PAN: AGIPR6201L

Email ID: valuation@rajvanshica.com

Valuer is Member of which Body: ICAI RVO

Place: Gurugram (Haryana)

Date: 26th March, 2025

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I. COMPANY BACKGROUND

INTRODUCTION

Goldstar Power Limited is a Public Company incorporated on 12th July 1999. It is classified as non-govt company and is registered at Registrar of Companies, Ahmedabad. Its authorized share capital is Rs. 26,00,00,000/- and its paid-up capital is Rs. 24,07,05,000/-. It is a battery manufacturing Company, manufacturing & marketing our products under our flagship brand -**GOLDSTAR**. The product range of the company covers various types of batteries including Fully Automotive Batteries for Car, Tractor and Heavy Duty Trucks, Tubular Batteries for Inverter and Solar Application, SLI and Tubular Batteries for E-Rickshaw, SMF-VRLA Batteries for UPS Application, Motorcycle Batteries, Solar Batteries, Pure Lead and Alloy batteries.



<u>Corporate Information</u>	
CIN	L36999GJ1999PLC036274
Registration Number	036274
Company Category	Company limited by Shares
Company Sub Category	Non-govt Company
Whether listed or not	Listed
Class of Company	Public
Registered Address	Behind Ravi Patrol Pump High-Way RD AT & Post -Hapa NA DIST Jamnagar GJ 361120 IN
Company Status (for e-filing)	Active

DIRECTORS/KMP's OF GOLDSTAR POWER LIMITED

1. **CHETAN VISHANDAS KHATTAR** is currently the director of Goldstar Power Limited and was appointed as a director as on 31st July 2017.
2. **AMRATLAL MOHANBHAI PANSARA** is currently the whole time director in Goldstar Power Limited and was appointed as a director as on 12th July 1999.
3. **NAVNEETBHAI PANSARA** is currently the managing director in Goldstar Power Limited and was appointed as a director as on 19th January 2006.
4. **DHRUTI NAVNEET PANSARA** is currently the director in Goldstar Power Limited and was appointed as a director as on 21st December 2007.
5. **HEMRAJBHAI HANSHARAJBHAI PATEL** is currently the director in Goldstar Power Limited and was appointed as a director as on 31st July 2017.
6. **MAHESHBHAI TULSIBHAI SOJITRA** is currently the director in Goldstar Power Limited and was appointed as a director as on 24th July 2021.
7. **PRANAVKUMAR BHUPENDRABHAI PANDYA** is currently the chief financial officer in Goldstar Power Limited and was appointed as on 02nd April 2019.
8. **VIDHI ANKIT PALA** is currently the company secretary in Goldstar Power Limited and was appointed as on 17th January 2022.

SHAREHOLDING PATTERN AS ON DATE OF VALUATION i.e., 25th March, 2025: -

EQUITY SHARES: -

S. No.	Name of Shareholder	No of Shares held	Face Value	% Holding
1	Promoter & Promoter Group	17,54,90,290	1	72.91%
2	Public	6,52,14,710	1	27.09%
Total		24,07,05,000		100.00%

(Source: <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GOLDSTAR&tabIndex=sme>)

II. PURPOSE OF VALUATION

To compute fair value of equity shares as on 25th March, 2025 using the most appropriate method i.e. calculating the fair value using the VWAP (Value Weighted Average Pricing) in accordance with Regulation 164(1), the price shall be higher of the 90 days or 10 days VWAP for the proposed preferential issue, it is informed to us that the company wishes to further issue of equity shares under preferential issue within the relevant provisions of the Companies Act, 2013 and rules there under and SEBI (Issue of Capital and Disclosure Requirements), since the company is frequently traded on NSE. As per the provisions of the Companies (Share capital and Debentures) Rules 2014, in case of further issue of share capital the valuation of such share is required to be obtained from a Registered Valuer.

As per the Regulation 166A of SEBI(ICDR) Regulations, the subject company has to issue equity shares on preferential basis at higher of the following floor prices determined according to the following methods —

1. Valuation report of the Independent Registered Valuer
2. Calculation of Minimum Issue price according to Regulation 164 of SEBI(ICDR) Regulations
3. Price determined in accordance with the provisions of the Articles of Association of the Issuer

As per the Companies (Registered Valuers and Valuation) Rules, 2017, as amended, require that only a person registered with the IBBI as a registered Valuer can conduct valuations required under the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016 with effect from 1st February, 2019. Considering the compliance from the Companies Act and SEBI ICDR Regulations, the valuation has been taken from a registered Valuer.

IDENTITY OF THE INDEPENDENT REGISTERED VALUER

Name of the Valuer: Abhinav Rajvanshi (R&A Valuation LLP)

IBBI Registration Number - IBBI/RV/06/2019/11765

ICAI RVO Reg. No. - ICAIRVO/06/RV-P00125/2019-2020

Address –H-15 Chitranjan Marg, C-Scheme, Jaipur 302001

Contact Email of RV – valuation@rajvanshica.com

DISCLOSURE OF VALUER’S INTEREST OR CONFLICT, IF ANY

I hereby confirm and explicitly declare that I am Independent Registered Valuer and do not have any interest, direct or indirect, in the underlying securities being valued.

ABOUT THE ASSIGNMENT

I have been appointed by the Goldstar Power Limited to estimate the fair market value of equity share (for the purpose of further issue of shares) on a marketable, controlling & ownership basis as on 25th March, 2025.

The purpose of this appraisal is solely to provide an independent valuation opinion in order to assist the company in calculating the Fair value by most appropriate method for further issue of shares and also in filing necessary documents with the appropriate authorities as may be required. As such, this appraisal report is intended for use by the company only for the aforesaid purpose.

STANDARD AND PREMISE OF VALUE

This appraisal report relies upon the use of fair market value as the standard of value. For the purposes of this appraisal, fair market value is defined as the expected price at which the subject shares of the company would change hands between a willing buyer and a willing seller, neither being under a compulsion to conclude the transaction and both having full knowledge of all the relevant facts.

The appraisal was performed under the premise of value in continued use as a going concern business enterprise. In our opinion this premise of value represents the highest and best use (HABU) of the subject business assets. However, the valuation has been preferred to be arrived by way of Discounted Cash Flow (DCF), Comparable Company Multiple (CCM) and Net Asset Value Method (NAV).

The fair value of shares has been arrived by considering the Hon'ble Supreme Court Judgment in the case of **Hindustan Lever Employee Union V/s Hindustan Lever Ltd. [(1995) 83 CC 30]** and **with due regards to the erstwhile CCI formula for valuation of shares and relevant financial and market factors.**

There are various methods commonly adopted for valuation of shares. These are the Net Assets Method, the Earnings Capitalization Method, the Discounted Cash flow Method, Market Price Method etc. Each method proceeds on different fundamental assumptions which have greater or lesser relevance, and at times even no relevance to a given situation. Thus, the methods to be adopted for a particular valuation must be judiciously chosen.

SCOPE OF THE REPORT

For the purposes of our valuation, we have not carried out a due diligence exercise or any other validation procedures.

The Valuation Conducted of the Equity Share is based upon the following: -

- 1) Projections from 1st October, 2024 to 31st March, 2029.
- 2) Provisional Financial Statements upto 30th September, 2024.
- 3) Details of the Current Shareholders.
- 4) Information / explanation obtained from the employees / management of the company.
- 5) Other relevant information.
- 6) Prices and other information of other comparable companies.
- 7) Trading Prices and Volume of the Company on NSE Emerge.
- 8) Information as Available on the Public Domain of the Company at www.goldstarpower.com.

This report has been provided by us and has been prepared solely for providing selected information on a confidential basis to which it is issued. We do not take any responsibility if the report is used by person other than to whom it is issued and for the purpose other than mentioned hereinabove.

III. SOURCES OF INFORMATION

The following sources of information were used in preparing the appraisal:

- 1) Projections from 1st October, 2024 to 31st March 2029.
- 2) Provisional Financial Statements upto 30th September, 2024.
- 3) Details of the Current Shareholders.
- 4) Information / explanation obtained from the employees / management of the company.
- 5) Other relevant information.
- 6) Prices and other information of other comparable companies.
- 7) Trading Prices and Volume of the Company on NSE Emerge.
- 8) Information as Available on the Public Domain of the Company at www.goldstarpower.com

All financial values incorporated in this Report are in INR (Indian Rupees).

IV. VALUATION APPROACH

The company has engaged us to arrive at the value of equity shares of the company by way of fair value, Cost/Asset Approach, Market Approach, Income Approach (Combination of all the Methods). The objective of the valuation process is to make a reasonable judgment of the valuation of the equity share price of Goldstar Power Limited.

The standard valuation approaches and methodologies are as below:

- i. Cost/Asset Approach
 - a. Net Asset Method
- ii. Market Approach
 - a. EBITDA Multiple Method
- iii. Income Approach
 - a. Discounted Cash Flow (DCF) Method

V. VALUATION OF EQUITY SHARES

A. COST/ASSET APPROACH: NET ASSET METHOD (BOOK VALUE)

ABOUT THE METHOD:

Asset based method are normally based on the Net Asset Value (NAV) of the unit as on the valuation date and could be on current replacement cost basis or on the basis of book values. On a going concern basis, normally the book value of the assets is considered.

NAV VALUATION:

The calculation of the Net Asset Value of the Company for valuation of equity shares of the company, the net asset value is to be calculated as per the Provisional Balance Sheet figures of the company for the period ending as on 30th September, 2024. *(Refer Annexure A for More Details)*

GOLDSTAR POWER LIMITED

Provisional Financial Statements as on 30th September, 2024

Net Asset Value Method (Asset Approach)

S. No.	Particulars	Amount (in Lakhs)
ASSET SIDE		
A	NON-CURRENT ASSETS	
	1. Property Plant and Equipment	
	(i) Tangible Assets	1,756.47
	(ii) Intangible Assets	-
	2. Deferred Tax Assets	-
	3. Non-Current Investments	760.14
	4. Other Non Current Assets	-
	Total (1 + 2 + 3 + 4)	2,516.61
B	CURRENT ASSET	
	1. Inventories	886.15
	2. Trade Receivables	1,341.76
	3. Cash & Cash Equivalents	10.31
	4. Short Term Loans & Advances	205.42
	5. Other Current Assets	161.66
	6. Current Investments	-
	Total (1 + 2 + 3 + 4 + 5 + 6)	2,605.30
C	Total Assets (A+B)	5,121.91
D	NON-CURRENT LIABILITIES	
	1. Long term Borrowings	597.33
	2. Deferred Tax Liabilities (net)	169.78
	Total (1 + 2)	767.11
E	CURRENT LIABILITIES	
	1. Short Term Provisions	519.15
	2. Short Term Borrowings	853.77
	3. Sundry Creditors	51.98
	4. Others Current Liabilities	-
	Total (1 + 2 + 3 + 4)	1,424.90
F	Total Liabilities (D + E)	2,192.01
G	Total Net Worth (Net Assets of the Company) (C-F)	2,929.90
H	Number of Equity Shares as on Date of Valuation	
	1. Existing Shares	2,407.05
	Total	2,407.05
I	Net Assets Value (G/H) per share value	1.22

Notes to the above calculations:

1. We have taken the figures as per the Provisional balance sheet figures as on 30th September, 2024. The latest balance sheet provided to us by the management as at 30th September, 2024, accordingly the same has been relied for the reference date as 25th March, 2025.
2. For the purpose of valuation, the management of the company has provided an explanation that there is no exceptional transaction entered by the company which may affect the financial statements significantly from the period 30th September, 2024.
3. Schedules / Notes are not available; hence value has been derived on face.
4. For more details refer Annexure A of the report.

B. INCOME APPROACH: DISCOUNTED CASHFLOWS METHOD

ABOUT THE METHOD

DCF method uses future free cash flow projection and discounts them to arrive at a present value. It is widely used in investment finance, real estate development, corporate financial management and patent valuation.

Under DCF, free cash flow to firm or free cash flow to Equity approach is used to arrive at a valuation of company.

- **Free cash flow to firm (FCFF):** This indicates the fair value of the firm based on the value of the cash flows the business is expected to generate in the future. All future cash flows are estimated and discounted using cost of capital to give their present values. This is a measurement of the company's profitability after all expenses and reinvestment. It's the one of the benchmark s used to compare and analyses financial health.
- **Free cash flow to equity (FCFE):** This indicates the fair value of the equity based on the value of the cash flows the business is expected to generate in the future. The method involves the estimation of post-tax cash flow to equity for a projection period after consideration of reinvestment in the terms of capital expenditure, incremental working capital and debt repayment. These cash flows are then discounted at cost of equity that reflects the risk of business. **We have considered FCFE Method for Valuation.**

DCF VALUATION OF EQUITY SHARES

A widely accepted definition of DCF is discounting of net cash flows.

Net Cash Flow

Net cash flow is defined as follows:

- After-tax business net-profit
 - Plus, depreciation and amortization expense
 - Plus decreases in working capital
 - Plus, tax-affected interest expense
 - Plus, preferred dividend payouts
- Less annual capital expenditures

TIME FRAME OF CASH FLOWS:

A problem faced in valuing a business is its indefinite life, especially where the valuation is on a going concern basis. This problem could be tackled by separating the value of the business into two time periods viz. explicit forecast period (Primary period) and post explicit forecast period (terminal period). In such a case, the value of business will be value of free cash flows generated during the explicit forecast period and value of free cash flows generated during the post explicit forecast period. While projected free cash flows of the explicit forecast period can be prepared meticulously based on the business plan, the free cash flows of the post explicit forecast period could be estimated using an appropriate method.

In the present case, we have been provided with the projected working results for the next 4-5 years starting from 1st October, 2024 and ending 31st March 2029.

APPROPRIATE DISCOUNTING RATE:

Under the DCF method the time value of money is recognized by applying a discount rate to the future free cash flows to arrive at their present value. This discount rate which is applied to the free cash flows should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company / business. This is commonly referred to as the weighted average cost of capital (WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

In the present case since only equity is being valued, the cost of equity is considered as cost of capital.

As regards the cost of equity, due regard must be given to the risk-free rate of return (Yield) available to investors, which is presently around 6.87% on 10-year Government of India Bonds as on the date of valuation, and the risk premium demanded by equity investors in stock markets historically has been around 5% - 15% in India.

Accordingly, the basic minimum return expected by equity investors generally is considered at 10% - 20%. Apart from these factors it is also important to consider the following industry and company specific risk factors.

Keeping in view the various factors and non-marketability of the shares on stock exchanges, the cost of equity has been computed and the total expected return or cost of equity as on the date of valuation is 9.41% and company specific risk premium has been taken at 0.00%. Refer Annexure B for the computation of Cost of Equity. Total 9.41% has been considered as the discounting rate.

It is difficult to assume exact timing of cash inflows and outflows during a year. Hence in calculating the discounting factor, it is assumed that on average the cash flows accrue at the end of the financial year.

However, since the present valuation is being done during the year as on 30th September, 2024, the proportionate value of the discounted free cash flows for the year 2024-25 is considered for the present value calculation.

CONTINUING VALUE:

It is the value of the business's expected future cash flows beyond the explicit forecast period. Using simplifying assumptions about the company's performance during the explicit period i.e., assuming a constant rate of growth permits one to estimate the continuing value with one of the several formulas. The continuing value's formula eliminates the need to forecast the company's cash flows beyond the explicit period.

A high-quality estimate of the continuing value is essential to any valuation, because continuing value often accounts for a large percentage of the total value of the business.

On this basis, the calculation of the continuing value may be made by capitalizing the free cash flows of the year following final year in the explicit forecast period into perpetuity using an appropriate rate of return (normally the WACC factoring for an element of growth in the future years).

In the present case keeping in view the inherent volatile nature of the stock market which depends on several complex factors as explained above and the related dependent revenue of the Company, 7.00% Growth rate is considered for the terminal period.

VALUE OF DEBT

Since the method of valuation is FCFE accordingly the Cost of Capital is K_e .

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GOLDSTAR POWER LIMITED VALUATION BASED ON PROVISIONAL RESULTS & PROJECTED FIGURES DISCOUNTED CASH FLOW METHOD BASED ON FREE CASH FLOW TO EQUITY (FCFE)							
Amount in Lakhs							
Particulars		2024-25 (Oct 24 to Mar 25)	2025-26 (Apr 25 to Mar 26)	2026-27 (Apr 26 to Mar 27)	2027-28 (Apr 27 to Mar 28)	2028-29 (Apr 28 to Mar 29)	Terminal Value (For Perpetuity)
Profit After Tax (PAT)		838.82	1279.97	1680.27	2149.68	2700.35	
Add: Inflows							
Depreciation		109.60	205.53	179.88	157.43	137.78	
Equity Infusion		0.00	0.00	0.00	0.00	0.00	
Total Inflows		948.42	1485.50	1860.15	2307.11	2838.13	
Less: Outflows							
Capital Expenditure		0.00	0.00	0.00	0.00	0.00	
Net Debt [Debt Repayment - New Debt]		522.03	0.00	0.00	0.00	0.00	
Incremental Working Capital (Net Amount)		1290.26	675.57	868.29	1293.83	1797.25	
Total Outflows		1812.29	675.57	868.29	1293.83	1797.25	
Free Cash Flows to Equity (FCFE)		-863.86	809.93	991.86	1013.28	1040.88	46152.21
Growth Rate							7.00%
Discounting Rate per Annum	9.41%						
Discounting Rate per Month	0.78%						
No. of Months as on 30th September, 2024		6.00	18.00	30.00	42.00	54.00	
Discounting Factor		0.95	0.87	0.79	0.72	0.66	0.66
Net Present Value of Cash Flows		-824.30	703.66	784.60	729.80	682.58	30265.35
Value Available to Equity Shareholders							32,341.70
Less: Investment in equity or convertible securities by potential investors							-
Add: Balance of Bank as on the Date of Valuation i.e. 30th September, 2024							-
Adjusted Value for Existing Equity Shareholders							32,341.70
No. of Equity Shares (Outstanding as on 30.09.2024 on fully diluted basis i.e. after conversion of ESOP/CCPS)							
Current as on the date of valuation i.e. 30th September, 2024							2407.05
Potential Equity Shares for convertible securities, current CCPS & ESOP (Considered Above)							0.00
Total Number of Equity Shares (Diluted)							2407.05
Value Per Equity Share (Face Value Rs. 10)							13.44

Notes to the above Calculation:

- 1) The management of the company proposed for the monthly discounting based on the number of months, with the monthly effective rate.
- 2) The projections have been provided by the management of the company and we have relied on the same while preparing the valuation report.
- 3) **The projections for the 4-5 Financial Years i.e., F.Y. 2024-25 to 2028-29 has been provided by the management of the company.** Further, the as the projections have been provided after the date of valuation, thus no multiplying factor has been considered in the valuation. Further, the projections provided by the management do not have any link to previous valuation report (if any).
- 4) For the purposes of valuation and as per the discussion of with the management of the company, the projections have been considered uniform throughout the Financial Years.
- 5) The Growth Rate of 7.00% per annum for free cash flows has been considered after the decision with the management for the perpetuity growth in cash flows of the company and after the company has reached the maturity stage.
- 6) The discounting factor of **9.41% per annum or 0.78% per month** has been considered in the valuation of equity shares. Brief calculations of discounting factor have been shown in Annexure B.

C. VALUATION APPROACH: MARKET APPROACH: MARKET PRICE METHOD

The equity shares of the Company are listed on NSE. Based on the trading volumes obtained from NSE website, we observed that the equity shares are traded frequently. For below calculation refer Annexure E of the report. Calculation of minimum issue price as per prescribed under Chapter V of SEBI (ICDR) Regulations, 2018

Relevant Date for the purpose of calculating the floor Price of the Equity Shares is considered as Wednesday, 25th March, 2025.

- A. Average of the volume weighted average price (VWAP) of the equity shares of Goldstar Power Limited quoted on the NSE, Recognized Stock Exchange during the 90 trading days preceding the relevant date (considering relevant date as 25th March, 2025)

Average price for the 90 days (Working is attached to the annexure as per the Annexure D)	Rs. 10.73
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- B. Average of the volume weighted average price (VWAP) of the equity shares of Goldstar Power Limited quoted on the NSE, Recognized Stock Exchange during the 10 trading days preceding the relevant date (considering relevant date as 25th March, 2025)

Average price for the 10 days (Working is attached to the annexure as per the Annexure D)	Rs. 9.53
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Hence, based on the above

- | | | |
|-----|--|--------------|
| i. | Average of 90 days VWAP | 10.73 |
| ii. | Average of 10 days VWAP | 9.53 |
| | Applicable Minimum Price per share (Higher of the A or B) | 10.73 |

VI. CONCLUSION OF BUSINESS VALUE

The Fair Value of the shares of the Company has been arrived at by averaging the values arrived as per the different methods adopted.

The computation of the same is given by table below.

GOLDSTAR POWER LIMITED <i>Calculation of Fair Value of Equity Shares</i> Average of Methods <i>Based on Assumptions & Calculations</i>				
Method Applied	Applied/ Not Applied	Proportion	Value per Equity Share	Average Value per Share
Asset Approach	Applied	10.00%	1.22	0.12
Income Approach	Applied	45.00%	13.44	6.05
Market Approach (VWAP)	Applied	45.00%	10.73	4.83
Value per Equity Share		100.00%		11.00

Based on the above, in our opinion the fair value of one equity share of face value of Rs.1 of the company as per fair value works out to be Rs. 11.00 each. The valuations were conducted according to the generally accepted principles and assumptions made by us in reference to taking comparable companies, methods and approaches as per internationally acceptable pricing methodologies on an arm's length basis.

Therefore, we hereby based on the above calculations state that the price of **Rs. 11.00/-** per equity share of the Company, as derived. Please refer to the assumptions made by us, information documents made available to us while conducting the valuation and limitations and disclaimers in the report for the valuation arrived as above.

Valuer's Notes:

While we have calculated the values of the shares of the Companies under the Asset Approach, we have considered it appropriate to give the (least)10.00% weightage to the same and equal weightage to remaining two methods for the same i.e. without any bias. For the present valuation analysis, having regard to the nature of the businesses of the Companies and the fact that we have been provided by the Companies with their projected financials, we have considered it appropriate to apply the DCF Method under the Income Approach to arrive at the relative fair value of the shares of the Company, accordingly we have assigned 45.00% weightage to DCF Method considering the same as reasonable and since, the equity shares of the Company, are listed and frequently traded on NSE, we have also given the weightage i.e. 45.00% to the comparable companies multiple approach since shares are frequently traded.

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VII. LIMITATIONS / EXCLUSIONS / WARRANTIES & CAVEATS

1. Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting & tax due diligence, consulting or tax related services that may otherwise be provided by my affiliates or me.
2. This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of my engagement; (ii) the date of this Report and (iii) the financial statements as at 30th September, 2024, and other information provided by the Management on key events after 30th September, 2024 till the date of the Report.
3. An analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events and transactions occurring after the date hereof may affect this Report and the assumptions used in preparing it, and I do not assume any obligation to update, revise or reaffirm this Report.
4. The ultimate analysis will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into account all 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 are not evident from the face of the balance sheet but which will strongly influence the worth of a share/business. This is conceptual so recognized in judicial decisions.
5. Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore no single undisputed value. While I have provided our recommendation of the Valuation based on the information available to me 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 users of the report, who should take into account other factors such as their own assessment of the proposed Transaction and input of other advisors.
6. 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.
7. In the course of the valuation, I was provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of my engagement, I have assumed and relied upon, without independent verification, (i) the accuracy of the information that was publicly available and was considered as part of our analysis for this Report and (ii) the accuracy of information made available to us by company SELF. In accordance with our work order and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us.

8. I have not independently investigated or otherwise verified the data provided by Goldstar Power Limited (GPL). Accordingly, I 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. Also, with respect to explanations and information sought from GPL, I have been given to understand by the Management of GPL that they have not omitted any relevant and material factors about the Specified Projects. My conclusions are based on the assumptions and information given by/on behalf of GPL and reliance on public information.
9. The Management of GPL has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by GPL 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.
10. The Report assumes that GPL complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the company 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 of GPL. Our conclusion of value assumes that the assets and liabilities of the company, reflected in its latest balance sheet remain intact as of the Report date. My scope of work did not include checking the adequacy of the carved out financial statements of GPL and the Specified Projects and this is the responsibility of the Management and I have assumed these to be correct.
11. I am not an advisor 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 the same. 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. No investigation of GPL's claim to title of assets has been made for the purpose of this Report and GPL's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
12. The fee for the engagement is not contingent upon the results report.
13. I owe responsibility to only to GPL in pursuance of an agreement who 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 or this report to GPL or the appointee bank. In no event shall I or my team members be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on the part of GPL, 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.

14. I 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.
15. This Valuation Report is subject to the laws of India.
16. Neither the Valuation Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme, without our prior written consent except for disclosures to be made to relevant regulatory authorities including Registrar of Companies and National Company Law Tribunal and other judicial, regulatory or government authorities, in connection with the Transaction.
17. This confidential report is prepared by Abhinav Rajvanshi solely for 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, and the purpose mentioned herein. For the purpose of clarity, GPL may share this report with its auditors, advisors and investment bankers in the normal course of its business. I 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, without our written permission in each instance. The material is true only as of the date of this letter. I assuming no responsibility to update or revise the opinion based upon events or circumstances that occur later on.
18. I have prepared this report based on the information provided, explanation given, and representation made by management of company. I have neither checked nor independently verified such information and representations. I have also not factored any tax implications or any financial or tax planning which the GPL take in future. I have solely relied on explanations, information paper, reports, documents & statements provided by the management of the GPL only and accepted all that information provided to us as consistent and accurate on as "as is" basis and taken in good faith and in the belief that such information is neither false nor misleading.
19. I have prepared this report with assumption that financial statement of GPL captures all the contingent liabilities and there are no other contingent liabilities of the company.
20. This report issued on the understanding the management of GPL has drawn our attention to all matter of which they are aware concerning the financial position of the business of the GPL, which may have an impact on our report up to the date of issue. My views are necessarily based on the economic market and other conditions currently in effect. I have no responsibility to update this report for this event and circumstances occurring after the date of this report. I do not hold ourselves responsible or liable, for any losses, damages, costs, expenses or outgoing whatsoever and howsoever caused incurred, sustained and arising out of error due to false, misleading or incomplete information or documentation being provided to us or due to any acts, or omissions of any other person.
21. Provision of valuation recommendation and considerations of the issues described herein are areas of our regular corporate advisory practice.

22. The scope of my work has been limited in terms of the purpose of valuation mentioned in this report. There may be matters, other than those noted in this report, which might be relevant in the context of any other purpose and which a wider scope might uncover. It may be noted that valuation, is not an exact science and ultimately depends upon what the business is worth to a serious investor or buyer who may be prepared to pay a substantial goodwill. The valuation exercise is carried out using generally accepted valuation methodology, principles, and the relative emphasis factors. The result of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the Valuer. In respect of going concern, certain valuation techniques have evolved over time and are commonly in use, which I have applied in.
23. I have no present or planned future interest in GPL and the fees for this report is not contingent upon the value reported herein. My valuation Analysis should not be construed as investment advice, specifically I do not express any opinion on the suitability or otherwise of entering into any transaction with GPL. Neither further, me nor the members of the team working on the independent valuation have directly or indirectly, through the client or otherwise shared any advisory perspective or have been influenced or undertaken advocating a management position in determining the value. I have not considered any law, regulation and taxation or accounting principle as related or applicable to target company's country. I have prepared this report as per Indian law, regulation, or accounting principle in India on the data provided to us.
24. I do not accept any liability to any third party in relation to the issue this valuation report. Neither the valuation report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties without our prior written consent. I retain the right to deny permission for the same.

Report Submitted

Sincerely Yours,



Abhinav Rajvanshi

Registered Valuer

Reg. Number: IBBI/RV/06/2019/11765

UDIN: 25426357BMJLXD1001

Place: Gurgaon (Haryana)

Date: 26th March, 2025

---END OF THE REPORT---

ANNEXURE A

BRIEF DETAILS OF THE FINANCIALS USED IN THE NAV CALCULATION

GOLDSTAR POWER LIMITED	
Brief Balance Sheet of the Company	
<i>(As per Provisional balance sheet provided by the management as on 30th September, 2024)</i>	
Particulars	Amount (in Lakhs)
A. EQUITY AND LIABILITIES	
(I) EQUITY	
1. Shareholder's Fund	
(i) Share Capital	
(a) Equity Share Capital	2,407.05
(ii) Reserves and Surplus	522.85
Total Equity	2,929.90
LIABILITIES	
(II) NON CURRENT LIABILITIES	
1. Long term Borrowings	597.33
2. Deferred Tax Liabilities (net)	169.78
Total Non Current Liabilities	767.11
(III) CURRENT LIABILITIES	
1. Short Term Provisions	519.15
2. Short Term Borrowings	853.77
3. Trade Payables	51.98
4. Others Current Liabilities	-
Total Current Liabilities	1,424.90
TOTAL	5,121.91
B. ASSETS	
(I) NON CURRENT ASSET	
1. Property Plant and Equipment	1,756.47
(i) Tangible Assets	1,756.47
(ii) Intangible Assets	-
2. Deferred Tax Assets	-
3. Non Current Investment	760.14
4. Other Non Current Assets	-
Total Non Current Assets	2,516.61
(II) CURRENT ASSET	
1. Inventories	886.15
2. Trade Receivables	1,341.76
3. Cash & Cash Equivalents	10.31
4. Short Term Loans & Advances	205.42
5. Other Current Assets	161.66
6. Current Investments	-
Total Current Assets	2,605.30
TOTAL	5,121.91

ANNEXURE B

BRIEF DETAILS OF THE FINANCIALS USED IN THE DCF CALCULATION

GOLDSTAR POWER LIMITED PROJECTED FIGURES PROVIDED BY MANAGEMENT OF THE COMPANY FOR THE FINANCIAL YEARS 2024-25 TO 2028-29						
<i>Amount in Lakhs</i>						
Statement of Profit & Loss						
Particulars	2024-25 (Apr 24 to Sep 24)	2024-25 (Oct 24 to Mar 25)	2025-26 (Apr 25 to Mar 26)	2026-27 (Apr 26 to Mar 27)	2027-28 (Apr 27 to Mar 28)	2028-29 (Apr 28 to Mar 29)
	Provisional	Projected	Projected	Projected	Projected	Projected
(I) Income: -						
(a) Revenue from Operations	2,250.77	4,359.48	7,535.69	8,590.68	9,793.38	11,164.45
(b) Other Income	92.63	190.04	325.07	373.83	429.91	494.39
Total Revenue	2,343.40	4,549.52	7,860.76	8,964.52	10,223.29	11,658.85
(II) Expenditure: -						
(a) Cost of Material Consumed	1,454.87	2,594.27	4,454.06	4,899.46	5,389.41	5,928.35
(b) Changes in Inventories	90.81	14.12	115.42	126.97	139.66	153.63
(c) Employee Benefit Expenses	134.21	183.13	349.08	383.99	422.38	464.62
(d) Other Expenses	323.70	430.44	829.56	912.51	1,003.76	1,104.14
Total Expenses	2,003.59	3,221.97	5,748.12	6,322.93	6,955.22	7,650.75
(III) EBITDA*	339.81	1,327.55	2,112.64	2,641.59	3,268.06	4,008.10
Less: Depreciation & Amortization	79.55	109.60	205.53	179.88	157.43	137.78
Less: Finance Expenses	81.75	96.98	196.60	216.26	237.89	261.68
(IV) Profit Before Tax (PBT)	178.51	1,120.97	1,710.51	2,245.44	2,872.75	3,608.64
Less: Tax						
(i) Current Tax	62.21	282.15	430.54	565.18	723.07	908.29
(ii) Deferred Tax***	5.58					
(IV) Profit / (Loss) for the Year (PAT)	110.72	838.82	1,279.97	1,680.27	2,149.68	2,700.35

GOLDSTAR POWER LIMITED

**PROJECTED FIGURES PROVIDED BY MANAGEMENT OF THE COMPANY
FOR THE FINANCIAL YEARS 2024-25 TO 2028-29**

Amount in Lakhs

BALANCE SHEET

Particulars	2024-25 (Apr 24 to Sep 24)	2024-25 (Oct 24 to Mar 25)	2025-26 (Apr 25 to Mar 26)	2026-27 (Apr 26 to Mar 27)	2027-28 (Apr 27 to Mar 28)	2028-29 (Apr 28 to Mar 29)
	Provisional	Projected	Projected	Projected	Projected	Projected
(I) Equity & Liabilities						
(A) Shareholder's Fund		-				
(i) Equity Share Capital	2,407.05	2,407.05	4,907.05	4,907.05	4,907.05	4,907.05
(ii) Reserves & Surplus	522.84	1,361.66	2,641.64	4,321.90	6,471.58	9,171.92
(a) Opening Balance	412.11	522.84	1,361.66	2,641.64	4,321.90	6,471.58
(b) Profit/ (Loss) During the Period	110.73	838.82	1,279.97	1,680.27	2,149.68	2,700.35
(c) Closing balance	522.84	1,361.66	2,641.64	4,321.90	6,471.58	9,171.92
(d) Share Premium	-	-	-	-	-	-
Infusion of Equity	-	-	-	-	-	-
Total Shareholder's Fund	2,929.89	3,768.71	7,548.69	9,228.95	11,378.63	14,078.97
(B) Non-Current Liabilities						
(i) Long Term Borrowings	597.33	1,119.36	1,119.36	1,119.36	1,119.36	1,119.36
(ii) Deferred tax liabilities (net)	169.78	178.27	187.18	196.54	206.37	216.69
Total Non - Current Liabilities	767.11	1,297.63	1,306.54	1,315.90	1,325.73	1,336.05
(C) Current Liabilities						
(i) Short term borrowings	853.77	939.15	1,033.06	1,136.37	1,250.00	1,478.76
(ii) Trade Payables	51.98	57.18	62.90	69.19	76.10	89.80
(ii) Other Current Liabilities	-	102.32	117.67	135.32	155.62	183.63
(iii) Short Term Provisions	519.15	571.07	628.17	690.99	760.09	899.18
Total Current Liabilities	1,424.90	730.56	808.74	895.49	991.81	1,172.62
TOTAL	5,121.90	5,796.90	9,663.96	11,440.35	13,696.17	16,587.64
(II) Assets						
(A) Non-Current Assets						
(i) Fixed Assets						
(a) Tangible assets	1,756.47	1,646.87	1,441.34	1,261.46	1,104.03	966.25
(b) Intangible assets	-	-	-	-	-	-
Total Fixed Assets	1,756.47	1,646.87	1,441.34	1,261.46	1,104.03	966.25

(ii) Investments	760.14	760.14	874.16	917.87	963.76	1,011.95
Total Non - Current Assets	2,516.61	2,407.01	2,315.50	2,179.33	2,067.79	1,978.20
(B) Current Assets						
(i) Trade Receivables	1,341.76	1,744.29	2,267.57	2,947.85	3,979.59	5,173.47
(ii) Inventories	886.15	1,063.38	1,276.06	1,531.27	1,868.15	2,297.82
(iii) Cash and cash equivalents	10.30	178.44	3,360.67	4,293.32	5,243.20	6,546.96
(iv) Short term loans and advances	205.42	225.96	248.56	273.41	300.76	330.83
(v) Other Current Assets	161.66	177.83	195.61	215.17	236.69	260.36
Total Current Assets	2,605.29	3,389.90	7,348.47	9,261.02	11,628.38	14,609.44
TOTAL	5,121.90	5,796.90	9,663.96	11,440.35	13,696.17	16,587.64

GOLDSTAR POWER LIMITED

PROJECTED FIGURES PROVIDED BY MANAGEMENT OF THE COMPANY
FOR THE FINANCIAL YEARS 2024-25 TO 2028-29

Amount in Lakhs

Other Information

Particulars	2024-25 (Apr 24 to Sep 24)	2024-25 (Oct 24 to Mar 25)	2025-26 (Apr 25 to Mar 26)	2026-27 (Apr 26 to Mar 27)	2027-28 (Apr 27 to Mar 28)	2028-29 (Apr 28 to Mar 29)
	Provisional	Projected	Projected	Projected	Projected	Projected
(I) Non-Cash Working Capital	964.67	2,254.93	2,930.50	3,798.79	5,092.62	6,889.86
(II) Incremental Capital (C.Y. WC - P.Y. WC)*****	-2,513.07	1,290.26	675.57	868.29	1,293.83	1,797.25
(III) Capital Expenditure (Investment in Fixed Assets & Intangible Asset)	1,160.69	-	-	-	-	-
(IV) Repayment of Debt (Venture Debt)	-52.95	522.03	-	-	-	-
(V) Non-Current Investments	-	-	-	-	-	-

DETAILED CALCULATIONS OF THE DISCOUNTING FACTOR USED FOR THE VALUATION

Particulars		Rate	Reference
Risk Free Rate	Rf	6.87%	https://countryeconomy.com/bonds/india?dr=2024-09
Average Return from Market Portfolio	Rm	14.35%	CAGR of BSE 500 (Index of Last 20 Years)
Market Risk Premium	Rm-Rf	7.48%	
Beta of the Industry	Beta		http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/Betas.html
Unlevered Beta of the Industry	Beta	0.34	Power
Company Specific Risk Premium		0.00%	
Cost of Equity		9.41%	
Average Cost of debt		0.00%	
Tax Rate (Excluding Cess)		25.00%	
Cost of debt-Post Tax		0.00%	

Target Debt-Equity Ratio	Amount	Cost of Capital
Equity	-	9.41%
Loan	-	0.00%
WACC	-	9.41%

Note No. 1: Calculation of Company Specific & Size Risk Premium for the Goldstar Power Limited

Particulars of Risk Factor	Risk Factor Rating (Refer Next Annexure)	Weightage*	Co. Specific Risk Premium
1) Revenue Growth (Comparison from Projections)	0	10%	0.00
2) Financial Risk (Total Debt Ratio)	0	10%	0.00
3) Operational Risk (Fixed Costs/Revenue) **	0	20%	0.00
4) Profitability (Net Profit Margin)	0	20%	0.00
5) Industry Risk	0	10%	0.00
6) Economic Risk	0	20%	0.00
7) Customer Concentration	0	10%	0.00
Company Specific Risk Premium		100%	0.00

*There is no specific criterion for allocation of weights to the risk factor as arrived through various ratios & percentage analysis. The weights are allocated purely based on the discretion of the Valuer and along a decision with the management of the company. The weights are given on the basis of relevance of a particular method to a company for the purpose of valuation. It is not always possible for the companies in the same group to be allocated same weights for same methods of valuation due to differs in asset size, prediction regarding future cash flows, stage of company, assumptions regarding going concern and strategic importance of the company being valued in the business group.

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DETAILED CALCULATIONS OF COMPANY SPECIFIC RISK PREMIUM FOR GOLDSTAR POWER LIMITED

COMPANY SPECIFIC RISK PREMIUM FOR GOLDSTAR POWER LIMITED

Factor Considered for Determination of Company Specific Risk	Risk Factor Rating
<p>(I) Revenue Growth Factor</p> <p>(a) The above is based on the comparison of the revenue to be generated by the company as per the projections provided by the company.</p> <p>(b) Goldstar Power Limited is a 24+ years old company and as such, historical data or information is available. Thus, Financial statements provided by the management has been considered for the calculation of growth in revenue.</p> <p>(c) The risk factor rating has been provided accordingly as per revenue projections provided for the next 5 years.</p>	0
<p>(II) Financial Risk Factor</p> <p>(a) The company financial risk is measured as by Total Debt Ratio i.e., Total Debt divided by Total assets of the company (Debt/Assets).</p> <p>(b) As per the projections provided by the company, the company does not plan to raise debt funds in order to finance the assets and as per the explanation provided by the management of the company, there will be no major investment in the assets.</p> <p>(c) As there is no clear indication of the asset value by the company accordingly minimal risk factor rating of "0" has been provided.</p>	0
<p>(III) Operational Risk Factor</p> <p>(a) The company operational risk is measured by Ratio of Fixed Cost to Revenue.</p> <p>(b) The Fixed costs involves employee costs i.e fixed salaries and other various fixed costs.</p> <p>(c) The ratio is calculated based on the average of projections provided by the management of the company.</p> <p>(d) The average operational risk ratio on the basis of projections is approximately Nil and accordingly risk factor rating has been provided.</p>	0
<p>(IV) Profitability Factor</p> <p>(a) The factor is measured by Net Profit Margin, considering Net Profit After Tax and Revenue from Operations.</p> <p>(b) The profitability factor has been considered based on the projections provided by the management of the company as in the F.Y. 2023-24, the company has good profits, is a 24+ years old company and substantial historical data is present.</p> <p>(c) The average net profit margin ratio on the basis of projections is approximately high and accordingly risk factor rating has been provided.</p> <p>(d) Refer the Brief Information as provided in the Annexure for the revenue & profit after tax projections provided by the company.</p>	0
<p>(V) Industry Risk Factor</p> <p>(a) The Industry Risk Factor is based on the Return on Assets of firm compared to Return on Assets of Industry.</p>	

<p>(b) Industry in the above refers to other established players in the market providing similar or identical services in the market.</p> <p>(c) The factor can be calculated by ratio of the Return on Assets Ratio of the company and average RoA of the Industry.</p> <p>(d) Since no details of the assets is available, the factor has been taken minimal i.e. "0"</p> <p>(e) Refer the Brief Information as provided in the Annexure for the revenue projections provided by the company.</p>	0
<p>(VI) Economic Risk Factor</p> <p>(a) Economic Risk Factor is computed considering the GDP Change of the Country and comparing the same with Company's ROA (<i>as computed earlier</i>)</p> <p>(b) GDP Change is based on country's annual GDP Change which is usually published in Central bank's Statistics or World Bank or IMF Publications.</p> <p>(c) Annual GDP Growth Rate of India has been considered for GDP Change which is provided as per World Bank as 7.2 % for the Year 2018. (Source: https://data.worldbank.org/country/india?view=chart)</p> <p>(d) Since no details of the assets is available, the factor has been taken minimal i.e., "0"</p> <p>(e) Refer the Brief Information as provided in the Annexure for the revenue projections provided by the company.</p>	0
<p>(VI) Customer Concentration Factor</p> <p>(a) The customer concentration is considered for the calculation of company specific risk factor in order to determine rate of trade receivables of the company and whether company sales to a diversified or too few persons (including companies).</p> <p>(b) As per the projections, information and documents provided by the management of the company, the company is 24+ years old company and will be operating through the e-commerce platform.'</p> <p>(c) As such the sales will be distributed among various customers pan India basis, thus a minimal rating factor of "0" has been considered.</p>	0

General Basis Used for Calculations Company Specific & Size Risk Premium for any Company

The company specific risk premium is considered for every company as the situation and risk involved differ due to various circumstances and factors. The factors considered for the company specific risk premium and risk factor rating from 0-10 is based on the ratio analysis of the factors affecting company in various areas. Such areas, ratios and factor rating are mentioned below: -

1. Revenue Growth Factor

- The above is based on the comparison of the revenue to be generated by the company as per the projections provided by the company.
- Annual Revenue of the company is considered and compared with previous years.
- The rating is as follows: -

Revenue Growth (in Percentage)	Rating
8%+	0
7% < x < 8%	1
6% < x < 7%	2
5% < x < 6%	3
4% < x < 5%	4
3% < x < 4%	5
2% < x < 3%	6
1% < x < 2%	7
0% < x < 1%	8
No Growth	9
Declining Trend	10

2. Financial Risk Factor

- The company financial risk is measured as by Total Debt Ratio i.e. Total Debt divided by Total assets of the company (Debt/Assets).
- This factor determines the financial leverage of the company and accordingly ratings is provided.
- The rating is as follows: -

Total Debt Ratio	Rating
No Leverage	0
0% < x < 10%	1
10% < x < 20%	2
20% < x < 30%	3
30% < x < 40%	4
40% < x < 50%	5
50% < x < 60%	6
60% < x < 70%	7
70% < x < 80%	8
80% < x < 90%	9
90%	10

3. Operational Risk Factor

- The company operational risk is measured as by the Ratio of Fixed Cost to Revenue Ratio.
- This factor determines the operational leverage of the company and accordingly ratings is provided.
- The rating is as follows: -

Fixed Cost\Sales	Rating
No operational Leverage	0
0% < x < 10%	1
10% < x < 20%	2
20% < x < 30%	3
30% < x < 40%	4
40% < x < 50%	5
50% < x < 60%	6
60% < x < 70%	7
70% < x < 80%	8
80% < x < 90%	9
90%	10

4. Profitability Factor

- This factor is based on the net profit margin of the company.
- For the purposes of the valuation Net Profit after Tax and Net Sales has been considered.
- The rating is as follows: -

As measured by profit margin	Rating
17%+	0
15% < x < 17%	1
13% < x < 15%	2
11% < x < 13%	3
9% < x < 11%	4
7% < x < 9%	5
5% < x < 7%	6
3% < x < 5%	7
1% < x < 3%	8
< 1%	9
Net Loss	10

5. Industry Risk Factor

- The Industry Risk Factor is based on the Return on Assets of firm compare to Return on Assets of Industry.
- Industry in the above refers to other established players in the market providing similar or identical services in the market.
- The factor can be calculated by using the Return on Assets Ratio.
- The rating is as follows: -

Firm ROA/Industry ROA	Rating
1.8+	0
1.60-1.80	1
1.40-1.60	2
1.20-1.40	3
1.00-1.20	4
.80-1.00	5
.60-.80	6
.40-.60	7
.20-.40	8
0-.20	9
Negative Firm ROA	10

6. Economic Risk Factor

- Economic Risk Factor is computed considering the GDP Change of the Country and comparing the same with Company's ROA.
- GDP Change is based on country's annual GDP Change which is usually published in Central bank's Statistics or World Bank or IMF Publications.
- The rating is as follows: -

Firm ROA/GDP Change	Rating
4.50-5.00	0
4.00-4.50	1
3.50-4.00	2
3.00-3.50	3
2.50-3.00	4
2.00-2.50	5
1.50-2.00	6
1.00-1.50	7
.50-1.00	8
.00-.50	9
Negative	10

7. Customer Concentration Factor

- The customer concentration is considered for the calculation of company specific risk factor in order to determine rate of trade receivables of the company and whether company sales to a diversified or too few persons (including companies).
- The rating is as follows: -

Sales of top 5 Customers/Total Sales	Rating
Less than 1%	0
1% < x < 10%	1
10% < x < 20%	2
20% < x < 30%	3
30% < x < 40%	4
40% < x < 50%	5
50% < x < 60%	6
60% < x < 70%	7
70% < x < 80%	8
80% < x < 90%	9
90%+	10

ANNEXURE E

Average of the volume weighted average price (VWAP) of the equity shares quoted on the NSE Limited, Recognized Stock Exchange during the 90 trading days preceding the relevant date (considering relevant date as 25th March, 2025)

Days	Date of (trading days)	Total Traded Quantity	Turnover	VWAP
1	13-11-2024	1,12,500	12,22,875.00	10.87
2	14-11-2024	56,250	6,26,062.50	11.13
3	18-11-2024	78,750	8,39,250.00	10.66
4	19-11-2024	78,750	8,70,187.50	11.05
5	21-11-2024	1,23,750	13,56,187.50	10.96
6	22-11-2024	78,750	8,49,937.50	10.79
7	25-11-2024	78,750	8,65,125.00	10.99
8	26-11-2024	78,750	8,53,312.50	10.84
9	27-11-2024	67,500	7,36,312.50	10.91
10	28-11-2024	56,250	6,26,062.50	11.13
11	29-11-2024	33,750	3,72,375.00	11.03
12	02-12-2024	-	-	0.00
13	03-12-2024	67,500	7,56,562.50	11.21
14	04-12-2024	-	-	0.00
15	05-12-2024	1,91,250	22,39,312.50	11.71
16	06-12-2024	90,000	10,47,937.50	11.64
17	09-12-2024	56,250	6,39,562.50	11.37
18	10-12-2024	45,000	5,04,000.00	11.20
19	11-12-2024	1,23,750	13,96,687.50	11.29
20	12-12-2024	22,500	2,52,000.00	11.20
21	13-12-2024	33,750	3,78,562.50	11.22
22	16-12-2024	6,63,750	79,40,812.50	11.96
23	17-12-2024	1,01,250	12,45,375.00	12.30
24	18-12-2024	22,500	2,71,687.50	12.08
25	19-12-2024	33,750	3,94,875.00	11.70
26	20-12-2024	78,750	9,14,062.50	11.61
27	23-12-2024	45,000	5,22,000.00	11.60
28	24-12-2024	22,500	2,55,375.00	11.35
29	26-12-2024	78,750	9,09,000.00	11.54
30	27-12-2024	45,000	5,19,750.00	11.55
31	30-12-2024	1,12,500	12,65,625.00	11.25
32	31-12-2024	1,35,000	15,06,937.50	11.16
33	01-01-2025	33,750	3,79,687.50	11.25
34	02-01-2025	1,23,750	14,25,937.50	11.52
35	03-01-2025	1,01,250	11,50,875.00	11.37
36	06-01-2025	67,500	7,50,375.00	11.12
37	07-01-2025	1,12,500	12,91,500.00	11.48
38	08-01-2025	33,750	3,75,750.00	11.13
39	09-01-2025	45,000	5,10,750.00	11.35
40	10-01-2025	56,250	6,20,437.50	11.03
41	13-01-2025	33,750	3,66,750.00	10.87
42	14-01-2025	45,000	4,86,000.00	10.80
43	15-01-2025	67,500	7,37,437.50	10.93
44	16-01-2025	56,250	6,21,562.50	11.05
45	17-01-2025	1,35,000	14,40,000.00	10.67
46	20-01-2025	1,46,250	15,57,000.00	10.65

47	21-01-2025	22,500	2,37,375.00	10.55
48	22-01-2025	22,500	2,37,375.00	10.55
49	23-01-2025	56,250	5,85,000.00	10.40
50	24-01-2025	56,250	5,81,625.00	10.34
51	27-01-2025	2,02,500	20,37,375.00	10.06
52	28-01-2025	22,500	2,19,937.50	9.78
53	29-01-2025	33,750	3,43,687.50	10.18
54	30-01-2025	67,500	6,93,562.50	10.28
55	31-01-2025	1,12,500	12,18,375.00	10.83
56	01-02-2025	45,000	4,82,625.00	10.73
57	03-02-2025	11,25,000	1,18,61,437.50	10.54
58	04-02-2025	1,46,250	15,65,437.50	10.70
59	05-02-2025	33,750	3,63,937.50	10.78
60	06-02-2025	-	-	0.00
61	07-02-2025	-	-	0.00
62	10-02-2025	1,01,250	11,14,875.00	11.01
63	11-02-2025	67,500	6,81,750.00	10.10
64	12-02-2025	90,000	8,93,812.50	9.93
65	13-02-2025	2,36,250	24,28,312.50	10.28
66	14-02-2025	4,72,500	47,35,125.00	10.02
67	17-02-2025	3,48,750	35,15,625.00	10.08
68	18-02-2025	33,750	3,42,000.00	10.13
69	19-02-2025	11,250	1,14,187.50	10.15
70	20-02-2025	33,750	3,47,062.50	10.28
71	21-02-2025	45,000	4,62,375.00	10.28
72	24-02-2025	67,500	6,92,437.50	10.26
73	25-02-2025	22,500	2,28,375.00	10.15
74	27-02-2025	78,750	8,04,937.50	10.22
75	28-02-2025	33,750	3,33,562.50	9.88
76	03-03-2025	56,250	5,53,500.00	9.84
77	04-03-2025	67,500	6,63,187.50	9.83
78	05-03-2025	1,46,250	14,53,500.00	9.94
79	06-03-2025	90,000	8,93,812.50	9.93
80	07-03-2025	1,12,500	11,07,000.00	9.84
81	10-03-2025	33,750	3,28,500.00	9.73
82	11-03-2025	67,500	6,69,375.00	9.92
83	12-03-2025	22,500	2,20,500.00	9.80
84	13-03-2025	78,750	7,68,937.50	9.76
85	17-03-2025	78,750	7,48,125.00	9.50
86	18-03-2025	22,500	2,04,750.00	9.10
87	19-03-2025	45,000	4,11,187.50	9.14
88	20-03-2025	-	-	0.00
89	21-03-2025	45,000	4,08,937.50	9.09
90	24-03-2025	67,500	6,33,375.00	9.38
Average Price		83,92,500.00	9,00,78,750.00	10.73

Average of the volume weighted average price (VWAP) of the equity shares quoted on the NSE Limited, Recognized Stock Exchange during the 10 trading days preceding the relevant date (considering relevant date as 25th March, 2025)

Days	Date of (trading days)	Total Traded Quantity	Turnover	VWAP
1	10-03-2025	33,750.00	3,28,500.00	9.73
2	11-03-2025	67,500.00	6,69,375.00	9.92
3	12-03-2025	22,500.00	2,20,500.00	9.80
4	13-03-2025	78,750.00	7,68,937.50	9.76
5	17-03-2025	78,750.00	7,48,125.00	9.50
6	18-03-2025	22,500.00	2,04,750.00	9.10
7	19-03-2025	45,000.00	4,11,187.50	0.00
8	20-03-2025	-	-	0.00
9	21-03-2025	45,000.00	4,08,937.50	9.09
10	24-03-2025	67,500.00	6,33,375.00	9.38
Average Price		4,61,250.00	43,93,687.50	9.53

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RED FIRE SHIPPING AND LOGISTICS LLC

MARCH
2025



VALUATION REPORT OF EQUITY SHARES

SUBMISSION TOWARDS VALUATION OF EQUITY SHARES OF THE
COMPANY FOR THE PURPOSE OF EVALUATION



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VALUATION REPORT

FOR

EQUITY SHARES

Of



RED FIRE SHIPPING AND LOGISTICS LLC

Submitted to the potential acquirer to the company, as a justified basis

MARCH 2025

Presented By



Securities & Financial Assets • Plant & Machinery • Land & Building

New Delhi | Mumbai | Jaipur | Gurugram | Chandigarh | Ahmedabad | Indore | Bengaluru | Chennai | Kolkata

Global Offices: Singapore | UK | USA

Contact: +91 9509777241, **E-mail:** - valuation@rajvanshica.com
<http://www.rajvanshica.in/ibbi-registered-valuers.html>

DISCLAIMER

The valuation exercise of Red Fire Shipping and Logistics LLC (hereafter may be referred to as “the Company” or “RFSALLLC”) is being undertaken by RV Abhinav Rajvanshi at the request of potential acquirers to Red Fire Shipping And Logistics LLC. My report is subject to the scope and limitations detailed hereinafter. As such, the report is to be read in totality and not in parts.

The report has been based on the information provided by the company and from other sources believed to be reliable.

While the information contained herein is believed to be accurate, no representation or warranty expressed or implied is or will be made and no responsibility or liability will be accepted by us as to, or in relation to the accuracy or adequacy of information contained in this report. The opinions and recommendations in this report are provided in good faith.

The company accepts full responsibility for all the data and information pertaining to the valuation report and confirms that no material information that is vital for arriving at a decision for valuation has been suppressed or misstated while providing data / information to us.

This report has been prepared for with a limited purpose / scope, as identified / stated in the report and will be confidential and for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence of discussions with any person, except to whom it is issued and to those who are involved in the transaction and for various approvals for this transaction.

The information contained herein and our report is absolutely confidential. It is intended only for the purpose mentioned above. We are not responsible or monetarily liable to any person / party or for any decision of such person or party based on this report. Any person / party intending to invest in the company shall do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision. It is hereby notified that any reproduction, copying or otherwise quoting of this report or any part thereof can be done only with our prior permission in writing.

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COVERING NOTE

To

26th March, 2025

Red Fire Shipping and Logistics LLC,
Office 508, Business Atrium Building,
Oud Metha, Dubai P O Box 28733, Dubai-UAE

Company under Valuation: Red Fire Shipping and Logistics LLC, Dubai, UAE.

Re: Valuation Appraisal of Equity Shares issued by Red Fire Shipping And Logistics LLC to ascertain the valuation of the company for the purpose of evaluation by a prospective investor of the company and necessary compliances.

Dear Sir,

I have been engaged to estimate the fair market value of the Equity Shares of the entity known as Red Fire Shipping and Logistics LLC ("RFSALLC") as on 31st May, 2024 based on the management projections / projected figures.

For the purpose of valuation, I was provided with the audited financial statements and had received an explanation that the company has not entered into any exceptional transactions which may affect the financial statements significantly from the period 31st May, 2024 till the date of the valuation report.

For the Fair Valuation of equity shares, I have utilized figures pertaining to cash flows, revenue and cost as presented in the Financial Model for next 5 years for valuation using the DCF method, terms and conditions of equity shares as provided to me by the management of the company and other mixture of valuation strategies and methods.

Rather than preparing a self-contained comprehensive report, I have provided a restricted use limited appraisal report, which is advisory in nature and intended to be used for valuation of shares & filing necessary documents with the relevant authorities. It has been informed to us that the potential acquirer wishes to buy majority stake in the company under valuation which may or may not lead to dilution of the shareholding of existing owners.

Please refer to the statement of limiting conditions contained in the report. For the purpose of valuation of Equity Shares, ***fair market value*** is defined as the expected price at which the subject business would change hands between a willing buyer and a willing seller, neither being under a compulsion to conclude the transaction and both having full knowledge of all the relevant facts.

The term "Fair Value" is defined by IVS 104 (Bases of Value) International Valuation Standard and ICAI Valuation Standard 102 - Valuation Basis as "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.

I have appraised a fully marketable, controlling ownership interest in the assets of the subject business. The appraisal was performed under the premise of value in continued use as a going concern business enterprise.

Our calculations were based on projected revenue and expenditure figures as told and explained to me by the management of the company and accordingly future estimated figures were computed. In our opinion

this premise of value represents the highest and best use of the subject business assets.



The valuation is subject to the information provided to me as well as the assumptions and financial data which appear in the report.

This cover letter is intended to provide you with an overview of the purpose and scope of my analysis and my conclusions. Please refer to the attached report for a discussion and presentation of the analysis performed in connection with this engagement.

This report does not constitute offer or invitation to any section of the public to subscribe for or purchase any securities in or assets or liabilities of Red Fire Shipping And Logistics LLC. I have made no investigation of, and assume no responsibility for, the title to or any encumbrances against the group of companies, its subsidiaries or their assets. I do not have any financial interest in company, its subsidiaries or their assets. I certify that the compensation received for this study is not in any manner contingent upon the conclusions stated. This report is subject to the limiting factors and assumptions which appear at the end of the report.

The reference date of valuation is 31st May, 2024. I have no obligation to update this report or revise this valuation because of events or transactions occurring subsequent to the date of this report.

Sincerely Yours,



Abhinav Rajvanshi

Registered Valuer

Email ID: valuation@rajvanshica.com

Valuer is Member of which Body: ICAI RVO

UDIN: 25426357BMJLXE8914

Date: 26th March, 2025

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I. COMPANY BACKGROUND

INTRODUCTION

Red Fire Shipping and Logistics LLC is a Limited Liability Company registered under the Department Of Economic Development on 10th May, 2015.

The Limited Liability Company is engaged in the activity of Baggage Wrapping, Cargo & Services, Shipping Containers Loading & Unloading Services, Sea Cargo Services.

<u>Corporate Information</u>	
License No.	733808
Trade Name	Red Fire Shipping and Logistics LLC
Legal Status	Limited Liability Company (LLC)
Registered Address	Office 508, Business Atrium Building, Oud Metha, P O Box 28733, Dubai-UAE

SHAREHOLDING PATTERN AS ON DATE OF VALUATION i.e., 31st MAY 2024: -

A. Equity Shares: -

S. No.	Name of Shareholder	No of Shares held	Face Value	% Holding
2	RAJESH MONGA SUBHASH CHANDER	300	AED 1,000	100.00%
Total		300		100.00%

II. PURPOSE OF VALUATION

It is informed to us that a potential investor of the equity shares of the company Red Fire Shipping And Logistics LLC wishes to evaluate the fair market value of equity shares of company. For this purpose, the LLC requires valuation of their shares.

This valuation may also be utilized for the purpose of compliance towards any laws of the land or relevant guidelines for the evaluation of the company. This valuation report may also be applicable to prospective investors under private placement or Transferors of shares to ascertain the valuation of the company for the purpose of further investment in the company and compliance under the relevant provisions.

We believe R&A Valuation LLP is an able valuer for any transaction in relation to valuation of the shares of the company under going concern. Accordingly, in view of the company's prospective business plans, the discounted free cash flow method is adopted for arriving at the fair value of the Equity. In the absence of any specific guidelines for this valuation method, the standard generally accepted DCF method is used.

ABOUT THE ASSIGNMENT

I have been appointed by the company to estimate the fair market value of equity share (for the purpose of evaluation) on a marketable, controlling & ownership basis as of 31st May, 2024.

The purpose of this appraisal is solely to provide an independent valuation opinion in order to assist the company in calculating the "DCF" for evaluation by the management of the potential acquirer

and may also in used filing necessary documents with the banker or compliance team. As such, this appraisal report is intended for use by the company only for the aforesaid purpose.

STANDARD COMPLIANCE AND VALUATION BASIS

My analysis and report is in conformity with the “ICAI Valuation Standards” (IVS) issued by the ICAI and International Valuation Standards. In addition to the general standards/ guidelines of the IVS, my report specifically complies with ICAI Valuation Standard 102 - Valuation Bases (IVS 102), ICAI Valuation Standard 103 – Valuation Approaches and Methods (IVS 103), ICAI Valuation Standard 201 - Scope of Work, Analyses and Evaluation (IVS 201), ICAI Valuation Standard 202 - Reporting and Documentation (IVS 202) and ICAI Valuation Standard 301 - Business Valuation (IVS 301). The valuation basis used in arriving at my valuation conclusion is ‘Fair Value’. ‘Fair value’ is defined by IVS 104” Basis of Value” – International Valuation Standards

(<https://www.rics.org/globalassets/rics-website/media/upholding-professional-standards/sector-standards/valuation/international-valuation-standards-rics2.pdf>) IVS 102 as “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.”

IVS 102 defines ‘orderly transaction’ as “a transaction that assumes exposure to the market for a period before the valuation date to allow for marketing activities that are usual and customary for transactions involving such assets or liabilities and it is not a forced transaction. The length of exposure time will vary according to the type of asset and market conditions.” In the absence of areal buyer and seller, or the lack of stated intention by the holder to sell, assumptions must be employed in the determination of value. The Company was valued on a stand- alone, fair value basis assuming a hypothetical willing buyer and a hypothetical willing seller. The values presented hereindo not consider any additional value that may be realized by a particular purchaser who benefits from specific synergies or economies of scale, which could not be identified or quantified for these purposes.

Unless stated otherwise, industry and market data used in the Report has been obtained from market research, publicly available information and industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability is not assured. Industry data used in the Report has not been independently verified. The information included in the Report about other listed and unlisted companies is based on their respective annual reports and their respective publicly available information.

The scope of this valuation relates to the total Equity Value of the company.

The valuation of the equity of the subject companies requires an examination of all potential factors affecting value. In the course of this valuation, we have considered the following: -

- The history of Company, the nature of their businesses and their reasonably anticipated growth opportunities.

- The historical trend of the earnings and expenses of the company, their projections and their current capital structure.
- The current market for publicly traded guideline companies engaged in the same industry or an industry similar to the industry in which the subject companies compete.
- The risks involved in an investment in the company as related to earnings stability, capital structure and competition.
- In valuing the group value, the Market and Income Approaches were applied.

This appraisal report relies upon the use of fair market value as the standard of value. For the purposes of this appraisal, fair market value is defined as the expected price at which the subject shares of the company would change hands between a willing buyer and a willing seller, neither being under a compulsion to conclude the transaction and both having full knowledge of all the relevant facts.

The appraisal was performed under the premise of value in continued use as a going concern business enterprise. In our opinion this premise of value represents the highest and best use (HABU) of the subject business assets. However, the valuation has been preferred to be arrived by way of Discounting Cash Flow Method (DCF)

SCOPE OF THE REPORT

For the purposes of our valuation, we have not carried out a due diligence exercise or any other validation procedures.

The Valuation Conducted of the Equity Share is based upon the following: -

- 1) Projections from 1st June, 2024 to 31st May, 2029.
- 2) Audited Financial Statements from 1st June, 2023 to 31st May, 2024.
- 3) Details of the Current Shareholders
- 4) Information / explanation obtained from the employees / management of the company
- 5) Other relevant information

This report has been provided by us and has been prepared solely for providing selected information on a confidential basis to which it is issued. We do not take any responsibility if the report is used by person other than to whom it is issued and for the purpose other than mentioned hereinabove.

III. SOURCES OF INFORMATION

The following sources of information were used in preparing the appraisal:

- 1) Projections from 1st June, 2024 to 31st May, 2029.
- 2) Audited Financial Statements from 1st June, 2023 to 31st May, 2024.
- 3) Details of the Current Shareholders
- 4) Information / explanation obtained from the employees / management of the company
- 5) Other relevant information

All financial values incorporated in this Report are in AED (UAE Dirhams).

IV. VALUATION APPROACH

The objective of the valuation process is to make a reasonable judgment of the valuation of “Fair Value” of the equity shares of Red Fire Shipping And Logistics LLC.

Fair value” is defined as the price at which the business would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell, and both having reasonable knowledge of the relevant facts and market conditions at the same time.

No one business valuation approach or method is definitive. Hence, it is common practice to use a number of business valuation methods under each approach.

The business value then is determined by reconciling the results obtained from the selected methods. Typically, a weight is assigned to the result of each business valuation method. Finally, the sum of the weighted results is used to determine the value of the subject business.

The various valuation approaches which are adapted to compute the fair market value of Equity Shares to be issued are: -

- Income Approach
- Market Approach
- Asset Value Approach

INCOME APPROACH

The Income Approach to business valuation uses the economic principle of expectation to determine the value of a business. To do so, one estimates the future returns the business owners can expect to receive from the subject business. These returns are then matched against the risk associated with receiving them fully and on time.

The returns are estimated as either a single value or a stream of income expected to be received by the business owners in the future. The risk is then quantified by means of the so-called capitalization or discount rates.

The methods which rely upon a single measure of business earnings are referred to as direct capitalization methods. Those methods that utilize a stream of income are known as the discounting methods. The discounting methods account for the time value of money directly and determine the value of the business enterprise as the present value of the projected income stream.

The methods under the Income Approach include:

- ✓ Discounted cash flow method based on projections for 5-6 years
- ✓ Multiple of discretionary earnings method
- ✓ Capitalization of earnings method

******(From the approaches and methods of valuation, the most appropriate method is discounted cash flow (DCF) method, which has been considered in the valuation of equity shares* *****

MARKET APPROACH

The market price of an equity shares as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share, especially where the market values are fluctuating in a volatile capital market. Further, in the case of an amalgamation, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

***** (Red Fire Shipping And Logistics LLC does not have equity shares listed on any recognized stock exchange in UAE. Accordingly, the Market Price Method will not be much relevant for the purpose of this Valuation hence, we ignored this method) *****

ASSET VALUE APPROACH

Asset based method are normally based on the Net Asset Value (NAV) of the unit as on the valuation date and could be on current replacement cost basis or on the basis of book values. However, since this method of valuation does not give true picture in case of startups and cases where the value of the company is to be determined on the basis of future projections and cash flows. Hence, the value based on the net asset method will not be much relevant, accordingly this method of valuation has been ignored.

V. DISCOUNTED CASH FLOW METHOD

ABOUT THE METHOD

DCF method uses future free cash flow projection and discounts them to arrive at a present value. It is widely used in investment finance, real estate development, corporate financial management and patent valuation.

Under DCF, free cash flow to firm or free cash flow to Equity approach is used to arrive at a valuation of company.

- **Free cash flow to firm (FCFF):** This indicates the fair value of the firm based on the value of the cash flows the business is expected to generate in the future. All future cash flows are estimated and discounted using cost of capital to give their present values. This is a measurement of the company's profitability after all expenses and reinvestment. It's the one of the benchmark s used to compare and analyses financial health.
- **Free cash flow to equity (FCFE):** This indicates the fair value of the equity based on the value of the cash flows the business is expected to generate in the future. The method involves the estimation of post-tax cash flow to equity for a projection period after consideration of reinvestment in the terms of capital expenditure, incremental working capital and debt repayment. These cash flows are then discounted at cost of equity that reflects the risk of business. **We have considered FCFE Method for Valuation.**

DCF VALUATION OF EQUITY SHARES

A widely accepted definition of DCF is discounting of net cash flows.

Net Cash Flow

Net cash flow is defined as follows:

- After-tax business net-profit
- Plus, depreciation and amortization expense
- Plus decreases in working capital
- Plus, tax-affected interest expense
- Plus, preferred dividend payouts
- Less annual capital expenditures

TIME FRAME OF CASH FLOWS:

A problem faced in valuing a business is its indefinite life, especially where the valuation is on a going concern basis. This problem could be tackled by separating the value of the business into two time periods viz. explicit forecast period (Primary period) and post explicit forecast period (terminal period). In such a case, the value of business will be value of free cash flows generated during the explicit forecast period and value of free cash flows generated during the post explicit forecast period. While projected free cash flows of the explicit forecast period can be prepared meticulously based on the business plan, the free cash flows of the post explicit forecast period could be estimated using an appropriate method.

In the present case, we have been provided with the projected working results for the next 5-6 years starting from 1st June, 2024 and ending 31st May, 2029.

APPROPRIATE DISCOUNTING RATE:

Under the DCF method the time value of money is recognized by applying a discount rate to the future free cash flows to arrive at their present value. This discount rate which is applied to the free cash flows should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company / business. This is commonly referred to as the weighted average cost of capital (WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

In the present case since only equity is being valued, the cost of equity is considered as cost of capital.

As regards the cost of equity, due regard must be given to the risk-free rate of return (Yield) available to investors, which is presently around 3.00% on 50Y Abu Dhabi's Bond as on the date of valuation, and the risk premium demanded by equity investors in stock markets historically has been around 2.00% - 5.00% in UAE.

Accordingly, the basic minimum return expected by equity investors generally is considered at 5.00% - 15.00%. Apart from these factors it is also important to consider the following industry and company specific risk factors.

The Company is a Limited liability company and its equity shares are not listed. Accordingly, there is a restriction on the transferability of these shares.

Keeping in view the various factors and non-marketability of the shares on stock exchanges, the cost of equity has been computed and the total expected return or cost of equity as on the date of valuation is 10.03% and company specific risk premium has been taken at 3.00% .Refer Annexure B for the computation of Cost of Equity. Total 10.03% has been considered as the discounting rate.

It is difficult to assume exact timing of cash inflows and outflows during a year. Hence in calculating the discounting factor, it is assumed that on average the cash flows accrue at the end of the financial year.

However, since the present valuation is being done during the year as on 31st May, 2024, the proportionate value of the discounted free cash flows for the year 2023-24 is considered for the present value calculation.

CONTINUING VALUE:

It is the value of the business's expected future cash flows beyond the explicit forecast period. Using simplifying assumptions about the company's performance during the explicit period i.e. assuming a constant rate of growth permits one to estimate the continuing value with one of the several formulas. The continuing value's formula eliminates the need to forecast the company's cash flows beyond the explicit period.

A high-quality estimate of the continuing value is essential to any valuation, because continuing value often accounts for a large percentage of the total value of the business.

On this basis, the calculation of the continuing value may be made by capitalizing the free cash flows of the year following final year in the explicit forecast period into perpetuity using an appropriate rate of return (normally the WACC factoring for an element of growth in the future years).

In the present case keeping in view the inherent volatile nature of the stock market which depends on several complex factors as explained above and the related dependent revenue of the Company, 5.00% Growth rate is considered for the terminal period on a highly conservative basis.

VALUE OF DEBT

Since the method of valuation is FCFE accordingly the Cost of Capital is Ke.

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CALCULATION OF THE VALUE PER SHARE USING DCF METHOD:

RED FIRE SHIPPING AND LOGISTICS LLP VALUATION BASED ON PROVISIONAL RESULTS & PROJECTED FIGURES DISCOUNTED CASH FLOW METHOD BASED ON FREE CASH FLOW TO EQUITY (FCFE)							
							Amount in AED
Particulars		2024-25 (1 June 24 to 31 May 25)	2025-26 (1 June 25 to 31 May 26)	2026-27 (1 June 26 to 31 May 27)	2027-28 (1 June 27 to 31 May 28)	2028-29 (1 June 28 to 31 May 29)	Terminal Value (For Perpetuity)
Profit After Tax (PAT)		2,726,104	9,650,294	10,117,888	10,618,925	11,082,084	
Add: Inflows							
Depreciation		386,369	507,369	351,924	255,308	189,610	
Equity Infusion		-	-	-	-	-	
Total Inflows		3,112,473	10,157,663	10,469,812	10,874,233	11,271,694	
Less: Outflows							
Capital Expenditure		430,000	780,000	50,000	50,000	-	
Net Debt [Debt Repayment - New Debt]		-	-	-	-	-	
Incremental Working Capital (Net Amount)		7,312,900	9,800,000	8,020,000	7,838,300	8,045,063	
Total Outflows		7,742,900	10,580,000	8,070,000	7,888,300	8,045,063	
Free Cash Flows to Equity (FCFE)		-4,630,427	-422,337	2,399,812	2,985,933	3,226,632	67,356,471
Growth Rate							5.00%
Discounting Rate per Annum	10.03%						
Discounting Rate per Month	0.84%						
No. of Months as on 31st May, 2024		12.00	24.00	36.00	48.00	60.00	
Discounting Factor		0.90	0.82	0.74	0.67	0.61	0.61
Net Present Value of Cash Flows		-4,190,277	-345,862	1,778,453	2,002,475	1,958,204	40,877,843
Value Available to Equity Shareholders							42,080,836
Less: Investment in Equity or Convertible Securities by Potential Investors							-
Add: Balance of Bank as on the Date of Valuation i.e. 31st May, 2024							819,305
Adjusted Value for Existing Equity Shareholders							42,900,141
No. of Equity Shares (Outstanding as on 31.05.2024 on fully diluted basis i.e. after conversion of ESOP/CCPS)							

Current as on the date of valuation i.e. 31st May, 2024	300
Potential Equity Shares for convertible securities, current CCPS & ESOP (Considered Above)	0
Total Number of Equity Shares (Diluted)	300
Value Per Equity Share (Face Value AED 1000) (Relevant Date 31st May 2024)	143,000
Value Per Equity Share (in INR) (Conversion from AED to INR for report date 26th March 2025)	33,36,201

Notes to the above Calculation: -

- 1) **The projections for the 4-5 Financial Years i.e., F.Y. 2024 to 2029 has been provided by the management of the company.** Further, the as the projections have been provided after the date of valuation, thus no multiplying factor has been considered in the valuation. Further, the projections provided by the management do not have any link to previous valuation report (if any).
- 2) The discounting factor of **10.03% per annum or 0.84% per month** has been considered in the valuation of equity shares. Brief calculations of discounting factor have been shown in Annexure B.
- 3) For the purposes of valuation and as per the discussion of with the management of the company, the projections have been considered uniform throughout the Financial Years.

CONCLUSION

Based on the above, in my opinion the fair value of one equity share of face value of AED 1,000 works out to **AED 143,000.00/-** based on discounted free cash flow method as on relevant date 31st May, 2024. Further, the conversion of AED to INR has been done using 1 AED = Rs. 23.33 (as on report date: 26th March, 2025). So, AED 143,000.00 shall be converted into Rs. 33,36,201.00.

(source: <https://www.xe.com/currencyconverter/convert/?Amount=1&From=AED&To=INR>)

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IX. LIMITATIONS / EXCLUSIONS / WARRANTIES & CAVEATS

1. Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting & tax due diligence, consulting or tax related services that may otherwise be provided by my affiliates or me.
2. This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of my engagement; (ii) the date of this Report and (iii) the audited financial statements as of 31st May, 2024, and other information provided by the Management on key events after 31st May, 2024 till the date of the Report.
3. An analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events and transactions occurring after the date hereof may affect this Report and the assumptions used in preparing it, and I do not assume any obligation to update, revise or reaffirm this Report.
4. The ultimate analysis will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into account all 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 are not evident from the face of the balance sheet but which will strongly influence the worth of a share/business. This is conceptual so recognized in judicial decisions.
5. Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no single undisputed value. While I have provided our recommendation of the Valuation based on the information available to me 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 users of the report, who should take into account other factors such as their own assessment of the proposed Transaction and input of other advisors.
6. 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.
7. In the course of the valuation, I was provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of my engagement, I have assumed and relied upon, without independent verification, (i) the accuracy of the information that was publicly available and was considered as part of our analysis for this Report and (ii) the accuracy of information made available to us by company SELF. In accordance with our work order and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us.
8. I have not independently investigated or otherwise verified the data provided by RED FIRE

SHIPPING AND LOGISTICS LLC (RFSALLLC). Accordingly, I 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. Also, with respect to explanations and information sought from RFSALLLC, I have been given to understand by the Management of RFSALLLC that they have not omitted any relevant and material factors about the Specified Projects. My conclusions are based on the assumptions and information given by/on behalf of RFSALLLC and reliance on public information.

9. The Management of RFSALLLC has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by RFSALLLC 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.
10. The Report assumes that RFSALLLC complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the company 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 of RFSALLLC. Our conclusion of value assumes that the assets and liabilities of the company, reflected in its latest balance sheet remain intact as of the Report date. My scope of work did not include checking the adequacy of the carved out financial statements of RFSALLLC and the Specified Projects and this is the responsibility of the Management and I have assumed these to be correct.
11. I am not an advisor 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 the same. 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. No investigation of RFSALLLC's claim to title of assets has been made for the purpose of this Report and RFSALLLC's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
12. The fee for the engagement is not contingent upon the results report.
13. I owe responsibility to only to RFSALLLC in pursuance of an agreement who 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 or this report to RFSALLLC or the appointee bank. In no event shall I or my team members be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on the part of RFSALLLC, 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.
14. I 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.

15. This Valuation Report is subject to the laws of India.
16. Neither the Valuation Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme, without our prior written consent except for disclosures to be made to relevant regulatory authorities including Registrar of Companies and National Company Law Tribunal and other judicial, regulatory or government authorities, in connection with the Transaction. In addition, this Report does not in any manner address the prices at which equity shares of RFSALLLC may trade.
17. This confidential report is prepared by Abhinav Rajvanshi solely for 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, and the purpose mentioned herein. For the purpose of clarity, RFSALLLC may share this report with its auditors, advisors and investment bankers in the normal course of its business. I 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, without our written permission in each instance. The material is true only as of the date of this letter. I assuming no responsibility to update or revise the opinion based upon events or circumstances that occur later on.
18. I have prepared this report based on the information provided, explanation given, and representation made by management of company. I have neither checked nor independently verified such information and representations. I have also not factored any tax implications or any financial or tax planning which the RFSALLLC take in future. I have solely relied on explanations, information paper, reports, documents & statements provided by the management of the RFSALLLC only and accepted all that information provided to us as consistent and accurate on as "as is" basis and taken in good faith and in the belief that such information is neither false nor misleading.
19. I have prepared this report with assumption that financial statement of RFSALLLC captures all the contingent liabilities and there are no other contingent liabilities of the company.
20. This report issued on the understanding the management of RFSALLLC has drawn our attention to all matter of which they are aware concerning the financial position of the business of the RFSALLLC, which may have an impact on our report up to the date of issue. My views are necessarily based on the economic market and other conditions currently in effect. I have no responsibility to update this report for this event and circumstances occurring after the date of this report. I do not hold ourselves responsible or liable, for any losses, damages, costs, expenses or outgoing whatsoever and howsoever caused incurred, sustained and arising out of error due to false, misleading or incomplete information or documentation being provided to us or due to any acts, or omissions of any other person.
21. Provision of valuation recommendation and considerations of the issues described herein are areas of my regular corporate advisory practice.
22. The scope of my work has been limited in terms of the purpose of valuation mentioned in this report. There may be matters, other than those noted in this report, which might be relevant in the context of any other purpose and which a wider scope might uncover. It may be noted that valuation, is not an exact science and ultimately depends upon what the business is worth to a

serious investor or buyer who may be prepared to pay a substantial goodwill. The valuation exercise is carried out using generally accepted valuation methodology, principles, and the relative emphasis factors. The result of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the Valuer. In respect of going concern, certain valuation techniques have evolved over time and are commonly in use, which I have applied in.

23. I have no present or planned future interest in RFSALLLC and the fee for this report is not contingent upon the value reported herein. My valuation Analysis should not be construed as investment advice, specifically I do not express any opinion on the suitability or otherwise of entering into any transaction with RFSALLLC. Neither further, me nor the members of the team working on the independent valuation have directly or indirectly, through the client or otherwise shared any advisory perspective or have been influenced or undertaken advocating a management position in determining the value.
24. I have not considered any law, regulation and taxation or accounting principle as related or applicable to target company's country. I have prepared this report as per Indian law, regulation, or accounting principle in India on the data provided to us.
25. I do not accept any liability to any third party in relation to the issue this valuation report. Neither the valuation report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties without our prior written consent. I retain the right to deny permission for the same.

Report Submitted

Sincerely Yours,



Abhinav Rajvanshi
Chartered Accountant
Membership Number: 426357
UDIN: 25426357BMJLXE8914

Date: 26th March, 2025

---END OF THE REPORT---

DETAILS PROJECTIONS AND ASSUMPTION USED IN THE VALUATION

RED FIRE SHIPPING AND LOGISTICS LLP						
PROJECTED FIGURES PROVIDED BY MANAGEMENT OF THE COMPANY FOR THE FINANCIAL YEARS 2023-24 TO 2029-30						
<i>Amount in AED</i>						
Statement of Profit & Loss						
Particulars	2023-24 (1 June 23 to 31 May 24)	2024-25 (1 June 24 to 31 May 25)	2025-26 (1 June 25 to 31 May 26)	2026-27 (1 June 26 to 31 May 27)	2027-28 (1 June 27 to 31 May 28)	2028-29 (1 June 28 to 31 May 29)
	Audited	Projected	Projected	Projected	Projected	Projected
(I) Income: -						
(a) Revenue from Operations	75,465,947	140,550,000	250,000,000	271,867,225	295,791,541	321,821,196
(b) Other Income						
Total Revenue	75,465,947	140,550,000	250,000,000	271,867,225	295,791,541	321,821,196
(II) Expenditure: -						
(a) Cost of revenue	72,245,356	135,000,000	236,000,000	257,240,000	280,391,600	305,626,844
(b) General, Selling and Administrative Expenses	1,532,090	2,065,000	2,750,000	3,025,000	3,327,500	3,660,250
(c) Other Operating Expenses	103,261	140,000	175,000	192,500	211,750	232,925
Total Expenses	73,880,707	137,205,000	238,925,000	260,457,500	283,930,850	309,520,019
(III) EBITDA*	1,585,240	3,345,000	11,075,000	11,409,725	11,860,691	12,301,177
Less: Depreciation & Amortization	282,793	386,369.00	507,369.00	351,924.16	255,308.43	189,609.73
Less: Interest Expenses		-	-	-	-	-
(IV) Profit Before Tax (PBT)	1,302,447	2,958,631	10,567,631	11,057,801	11,605,382	12,111,568
Less: Tax	-	232,527.00	917,337.00	939,913.07	986,457.50	1,029,483.25
(V) Profit / (Loss) for the Year	1,302,447	2,726,104	9,650,294	10,117,888	10,618,925	11,082,084

**EBITDA refers to Earnings before Interest, tax & amortization

** Employee Benefit Expenses includes director remuneration, staff salaries & bonus

RED FIRE SHIPPING AND LOGISTICS LLP
PROJECTED FIGURES PROVIDED BY MANAGEMENT OF THE COMPANY
FOR THE FINANCIAL YEARS 2023-24 TO 2029-30

Amount in AED

BALANCE SHEET

Particulars	2023-24 (1 June 23 to 31 May 24)	2024-25 (1 June 24 to 31 May 25)	2025-26 (1 June 25 to 31 May 26)	2026-27 (1 June 26 to 31 May 27)	2027-28 (1 June 27 to 31 May 28)	2028-29 (1 June 28 to 31 May 29)
	Audited	Projected	Projected	Projected	Projected	Projected
(I) Equity & Liabilities						
(A) Shareholder's Fund						
(i) Share Capital	300,000	300,000	300,000	300,000	300,000	300,000
(ii) Retained Earnings	12,219,070	14,945,174	24,595,468	34,713,356	45,332,281	56,414,365
(a) Opening Balance	10,916,623	12,219,070	14,945,174	24,595,468	34,713,356	45,332,281
(b) Profit/ (Loss) During the Period	1,302,447	2,726,104	9,650,294	10,117,888	10,618,925	11,082,084
(d) Transferred to shareholders account	-	-	-	-	-	-
(e) Closing balance	12,219,070	14,945,174	24,595,468	34,713,356	45,332,281	56,414,365
(iv) Statutory Reserve	150,000	150,000	150,000	150,000	150,000	150,000
(iii) Shareholder's current account	1,348,507	6,531,958	7,254,295	7,254,295	7,254,295	7,254,295
Infusion of Equity	-	-	-	-	-	-
Total Shareholder's Fund	14,017,577	21,927,132	32,299,763	42,417,651	53,036,576	64,118,660
(B) Non-Current Liabilities						
(i) Long Term Provisions	172,329	300,000	500,000	550,000	605,000	665,500
Total Non - Current Liabilities	172,329	300,000	500,000	550,000	605,000	665,500
(C) Current Liabilities						
(i) Trade & Other Payables	5,182,202	13,000,000	30,000,000	33,000,000	36,300,000	40,656,000
(ii) Advances and accrued expenses	-	500,000	1,000,000	1,150,000	1,322,500	1,520,875
Total Current Liabilities	5,182,202	13,500,000	31,000,000	34,150,000	37,622,500	42,176,875
TOTAL	19,372,108	35,727,132	63,799,763	77,117,651	91,264,076	106,961,035
(II) Assets						
(A) Non-Current Assets						
(i) Fixed Assets						
(a) Tangible assets	783,501	827,132	1,099,763	797,839	592,530	402,921

Total Fixed Assets	783,501	827,132	1,099,763	797,839	592,530	402,921
(ii) Deferred assets	-	-	-	-	-	-
Total Non - Current Assets	783,501	827,132	1,099,763	797,839	592,530	402,921
(B) Current Assets						
(i) Inventories	-	-	-	-	-	-
(ii) Trade Receivables	17,629,754	33,000,000	60,000,000	71,100,000	82,333,800	94,848,538
(iii) Cash and cash equivalents	819,305	1,500,000	2,000,000	4,449,812	7,490,745	10,777,877
(iv) Deposits, Prepayments & Advances	139,548	400,000	700,000	770,000	847,000	931,700
Total Current Assets	18,588,607	34,900,000	62,700,000	76,319,812	90,671,545	106,558,114
TOTAL	19,372,108	35,727,132	63,799,763	77,117,651	91,264,076	106,961,035

RED FIRE SHIPPING AND LOGISTICS LLP
PROJECTED FIGURES PROVIDED BY MANAGEMENT OF THE COMPANY
FOR THE FINANCIAL YEARS 2023-24 TO 2029-30

Amount in AED

Other Information

Particulars	2023-24 (1 June 23 to 31 May 24)	2024-25 (1 June 24 to 31 May 25)	2025-26 (1 June 25 to 31 May 26)	2026-27 (1 June 26 to 31 May 27)	2027-28 (1 June 27 to 31 May 28)	2028-29 (1 June 28 to 31 May 29)
	Audited	Projected	Projected	Projected	Projected	Projected
(I) Non-Cash Working Capital	12,587,100	19,900,000	29,700,000	37,720,000	45,558,300	53,603,363
(II) Incremental Capital (C.Y. WC - P.Y. WC)****	-50,278,862	7,312,900	9,800,000	8,020,000	7,838,300	8,045,063
(III) Capital Expenditure (Investment in Fixed Assets & Intangible Asset)	855,387	430,000	780,000	50,000	50,000	-
(IV) Repayment of Debt (Venture Debt)	-	-	-	-	-	-
(V) Non-Current Investments	-	-	-	-	-	-

****C.Y. - Current Year, P.Y. - Previous Year & WC- Non-Cash Working Capital

DETAILED CALCULATIONS OF THE DISCOUNTING FACTOR USED FOR THE VALUATION

Calculation of the Cost of Equity:

Particulars		Rate	Reference
Risk Free Rate	Rf	3.00%	As per 3 Year Bond Rate (P.A) UAE
Average Return from Market Portfolio	Rm	6.99%	Dubai Financial Market General Index (DFMGI) (Index of Last 20 Years)
Market Risk Premium	Rm-Rf	3.99%	
Beta of the Industry	Beta		http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/Betas.html
Unlevered Beta of the Industry	Beta	1.01	Transportation
Company Specific Risk Premium		3.00%	As per the judgement of the valuer
Cost of Equity		10.03%	
Average Cost of debt		0.00%	
Tax Rate (Excluding Cess)		25.00%	
Cost of debt-Post Tax		0.00%	
Target Debt-Equity Ratio	Amount	Cost of Capital	
Equity	-	10.03%	
Loan	-	0.00%	
WACC	-	10.03%	

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