Valuation Report for the amalgamation of

U R Energy (India) Private Limited

with

Jhaveri Credits And Capital Limited

Registered Valuer

Sagar Shah

Reg. No.: IBBI/RV/06/2020/13744
ICAI RVO Reg. No.: ICAIRVO/06/RV- P00155/2020-21

To,

The Board of Directors

Jhaveri Credits And Capital Limited
B-2, 907-912, Palladium,
B/h. Divya Bhaskar Press, Prahladnagar, Nr.
Vodafone House, Jodhpur Char Rasta,
Ahmedabad, Gujarat, India, 380015

U R Energy (India) Private Limited
B-1,901-906, 9th Floor, Palladium,
B/H. Divyabhaskar Press, Corporate Road,
Makaraba, Ahmedabad, Gujarat, India, 380015

Subject: Recommendation of fair Equity share exchange ratio for amalgamation of U R Energy (India) Private Limited with Jhaveri Credits And Capital Limited

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We refer to the engagement letter dated 18th March 2024 of Sagar Shah , whereby we are appointed by Jhaveri Credits And Capital Limited (hereinafter referred to as "Jhaveri") and U R Energy (India) Private Limited (hereinafter referred to as "U R Energy ") respectively , for recommendation of fair equity share exchange ratio for the proposed amalgamation of U R Energy with Jhaveri on a going concern basis with effect from the Appointed Date (i.e. Effective Date) (" Proposed Amalgamation "), as more particularly provided for in the composite scheme of amalgamation among U R Energy and Jhaveri and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ("Scheme ").

Jhaveri and U R Energy are hereinafter jointly referred to as "Companies" or "Clients" and individually referred to as "Company", as the context may require.

Mr Sagar Shah is hereinafter referred to as "Valuer" or "we" or "us" in this report.

The fair Equity share exchange ratio for this report refers to number of equity shares of Jhaveri, which would be issued to the equity shareholders of U R Energy pursuant to the Proposed Amalgamation.

Yours Faithfully,

Sagar Shah

Registered Valuer - Securities and Financial Assets,
IBBI Registration No.: IBBI/RV/06/2020/13744
ICAI RVO Registration No.: ICAIRVO/06/RV-P00155/2020-2021

Date: 28/03/2024
Place: Ahmedabad

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Background

Jhaveri Credits And Capital Limited ("Jhaveri" or "Transferee")

Jhaveri Credits And Capital Limited was incorporated on October 7, 1993, and its Corporate Identification Number (CIN) is L65910GJ1993PLC020371.

The company is inter alia engaged in the business of trading, import-export of solar panels, inverters, cables and other electronic accessories and also engaged in commodity broking. The company was originally incorporated on 7 October 1993 and its equity shares are listed on BSE Limited (stock exchange).

The company is a public listed Indian company with the authorized share capital of ₹10,00,00,000.00 (₹10.00 Cr) and paid-up capital of ₹6,46,33,000.00 (₹6.46 Cr) as on 31st December 2023.

The registered office of Jhaveri is located at B-2, 907-912, Palladium, B/h. Divya Bhaskar Press, Prahladnagar, Nr. Vodafone House, Jodhpur Char Rasta, Ahmedabad, Gujarat, India, 380015.

U R Energy (India) Private Limited ("UR Energy" or "Transferor")

U R Energy (India) Private Limited was incorporated on November 16, 2011, and its Company Identification Number (CIN) is U40108GJ2011PTC067834.

The company develops, installs and supplies solar power systems for Residential, Commercial and Utility scale customers.

The company is a private company with the authorized share capital of ₹3,50,00,000.00 (₹3.50 Cr) and paid-up capital of ₹1,16,32,640.00 (₹1.16 Cr) as om 31st December 2023.

The registered office of U R Energy is located at B-1,901-906, 9th Floor, Palladium, B/H. Divyabhaskar Press, Corporate Road, Makaraba, Ahmedabad, Gujarat, India, 380015.

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Proposed Transaction

We have been informed that the management of both companies are considering amalgamation of U R Energy into Jhaveri. The management believes that the amalgamation would benefit both the companies and its stakeholders on account of following reasons:

- Both the Companies are being in the same business of renewable energy and manufacturing of semi-conductors (and trading of related parts), proposed amalgamation would complement the business of each other;

- The amalgamation is in line with the Transferee and Transferor Company's strategy to build a sustainable and profitable business in India;

- Combined activities and operations of both the companies would help achieving synergistic linkages and benefit of combined financial resources;

- Amalgamation will also provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, merger will enable optimal utilization of existing resources and provide an opportunity to fully leverage strong assets, capabilities, experience, expertise and infrastructure of both the companies. The merged entity will also have sufficient funds required for meeting its working capital needs and other purposes;

- Greater scale of economy and greater financial strength and flexibility for the Transferee Company, which would result in maximising overall shareholder value and will improve the competitive position of the combined entity;

- The Scheme will result in cost saving for both the companies as they are capitalizing each other's core competency and market which is expected to result in higher profitability levels and cost savings for the Transferee Company;

- Transferor as well as Transferee Company share common fundamental philosophies viz. corporate transparency and better governance. The Companies also share common corporate values.

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Scope and Purpose of the Report

- We understand that management of the above companies are considering entering a Scheme for merger of U R Energy and Jhaveri under Section 230-232 and other applicable provisions of the Companies Act, 2013.

- In this regard, we have been appointed to issue a report on the likely share exchange ratio for the Scheme as on report date.

- In view of the above background, we understand that the purpose of this report is to conduct a relative (and not absolute) valuation of equity shares of companies involved in the Scheme and report a fair share exchange ratio for the proposed amalgamation in accordance with ICAI Valuation Standards 2018 issued by ICAI.

- The fair value of shares and exchange ratio are to be determined with reference to the valuation date, which is Report date.

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Scope of Work & Limitation

Appointment date, Valuation date and Report date

- The appointment date of the Registered Valuer for the purpose of Valuation analysis is 18th March, 2024.
- The appointed date of the Scheme is 1st April 2024 or such other date as may be approved by the Regional Director or National Company Law Tribunal, Ahmedabad Bench, or any other appropriate authority.
- Valuation report date is 28th March 2024.

Identity of the Valuer

- Mr. Sagar Shah is a Registered Valuer as required under the Companies (Registered Valuers & Valuation) Rules, 2017. He is registered with Insolvency & Bankruptcy Board of India vide registration number IBBI/RV/06/2020/13744. Primary membership is registered with ICAI Registered Valuers Organization vide registration no. ICAIRVO/06/RV-P00155/2020-2021

Disclosure of Valuer Interest

- I have no present or prospective contemplated financial interest in the companies involved in the Scheme nor any personal interest with respect to the Promoters & Board of Directors of the companies involved in the Scheme. I have no bias/prejudice with respect to any matter that is the subject of the valuation report or to the parties involved with this engagement.
- My professional fee for this valuation is based upon my normal billing rates, and not contingent upon the results or the value of the business or in any other manner.

Restrictions on use of the report

- This Valuation Report is confidential and has been prepared exclusively for the companies involved and applicable regulators involved in implementing the Scheme (i.e. including Regional Director, Registrar of Companies, Official Liquidator, National Company Law Tribunal etc.). It is to be considered only for the purpose of determining the share exchange ratio for the Scheme.
- It should not be circulated or reproduced to any other person for any purpose other than as mentioned above, without the prior consent of the valuer. This Valuation report should not be construed as investment advice, specifically I do not express any opinion on the suitability or otherwise of entering into the proposed transaction.

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- The recommendation rendered in this Report only represent our recommendation based upon information furnished by the Companies and gathered from public domain (and analysis thereon) and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.
- The decision to carry out the transaction (including consideration thereof) lies entirely with the Management/ Board of Directors of the respective company and the work and the findings shall not constitute recommendation as to whether or not the Management / the Board of Directors of the Company should carry out the transaction.

Limitation

- It may be noted that valuation is a highly subjective exercise and the opinion on valuation may differ from valuer to valuer depending on the individual perception of the attendant circumstances. At best, it is an expression of opinion or a recommendation based on certain assumptions. This valuation does not include the auditing of financial data provided to us, and therefore we do not take any responsibility for its accuracy and completeness of data provided to us.
- There are certain limitations which could have an impact on the valuation results. The limiting factors to this Valuation exercise are given below and the reader of the report must take cognizance of the same while formulating his opinion.
    - The valuation has been conducted based on the information and documents provided by the management. The Projected Financials provided are assumed to be reliable and nor any review or due diligence of the same has been conducted by me.
    - The valuation has been conducted for a specific purpose and may not be valid for any other purpose. Therefore, this valuation opinion is restricted for the purpose defined in the report.
    - The valuation opinion is subjective and based on information provided and relied upon. I have no liability whatsoever to any person who makes any decision based on results given in this report.
- Further, this valuation report is based on the extant regulatory environment and the business/market conditions, which are dynamic in nature and may change in future, thereby impacting the valuation of the Company. The information presented in this valuation report does not reflect the outcome of any due diligence procedures, which may change the information contained herein and, therefore, the valuation report materially.
- This report is not, nor should it be construed as our opinion or certifying the compliance of the proposed scheme of amalgamation with the provisions of any law or as regards any legal implications or issues arising from such proposed restructuring.

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- This report is furnished on strictly confidential basis. Neither this Report nor the information contained herein may be reproduced or passed to any person or used for any purpose other than stated above.

Disclaimer

- We have not carried out any physical verification of the assets and liabilities of the Valuation Subjects and take no responsibility for the identification of such assets and liabilities.
- This Report does not look into the business/commercial reasons behind the Proposed Amalgamation nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the Proposed Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- The valuation analysis and results thereof for recommendation under this Report are governed by concept of materiality.
- The initial draft of the present report has been shared with the management of the company for their review and confirmation of the facts presented.
- The report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.
- The fee for the engagement is not contingent upon the results reported.
- We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.
- It is understood that this analysis does not represent a fairness opinion, 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,

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Information Sources

For the purpose of this report, the documents and/or information published or provided by management have been relied upon. I have fully relied on the information provided by the company and do not vouch for the accuracy of the information as is provided to us by the management of the companies.

I have relied upon the following information:

a) Audited financial statements of Jhaveri and U R Energy for FY 2020-21, FY 2021-22 and FY 2022-23.;

b) Management Certified financial statements of Jhaveri and U R Energy for the period ended December 31, 2023;

c) Details of Shares issued during the period from 1st January 2024 to the report date;

d) Latest shareholding pattern of Jhaveri and U R Energy;

e) Financial Projections of U R Energy for the period starting from 1st January 2024 to FY 2027-28;

f) Draft Scheme of Amalgamation; and

g) Such other information and explanations as we have requested, and which have been provided by the Management of respective companies.

During the discussions with the Management, we have also obtained explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise. Besides the above information and documents, there may be other information provided by the respective Company which may not have been perused by me in any detail, if not considered relevant for the defined scope.

We have provided the opportunity to review the draft report (excluding the recommended fair equity share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.

Further, in connection with this exercise, we have also relied upon the market data as to market prices, volumes, comparable and other relevant information of the Company and its peers, deemed necessary, as available in the public domain.

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Procedure Adopted

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

- Requested and received financial and qualitative information.
- Used data available in public domain related to the companies and its peers.
- Discussions with the Management to understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance.
- Obtained and analysed market prices, volume data and other relevant information for Jhaveri.
- Obtained and analysed Financial projection of U R Energy.
- Obtained and analysed data of peers available in public domain, as deemed relevant.
- Selection of internationally accepted valuation methodologies, as considered appropriate by us.
- Arriving at relative valuation of Valuation Subjects in order to determine the fair equity share exchange ratio for the Proposed Amalgamation.

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Shareholding Pattern of Companies

1. Jhaveri Credits And Capital Limited

Details of the Equity shareholders of Jhaveri as on the report date are as under:

SN	Name of Shareholders	Equity Shares
1	Mr. Vishnubhai Vitthalbhai Patel	47,61,235
2	Others	42,24,701
	Total	**89,85,936**

* Further, the company has also issued fresh 25,22,636 Equity shares to shareholders on 6th March 2024.

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2. U R Energy (India) Private Limited

Details of the shareholders of U R Energy as on the report date are as under:

SN	Name of Shareholders	Equity Shares
1	Vishnubhai V.Patel	6,51,431
2	Riddhi Landmark LLP	6,00,000
3	Dr. Rajesh Patel	5,31,157
4	Jayesh Ishwarlal Patel	1,04,326
5	Bhumit Vinodkumar Patel	83,333
6	Krut Vinodbhai Patel	83,333
7	Vinodbhai Ishwarbhai Patel	83,333
8	Patel Pareshbhai Kantilal	81,595
9	Bluekite Investments PTY Ltd	81,088
10	Gaurav Zamsingh Pardhi	80,000
11	Shweta Pardhi	80,000
12	Dhyan Holding PTY Ltd	69,970
13	Bijal Kiran Parikh	59,281
14	Jatin Patel	57,292
15	Parth Patel	57,292
16	Dhinal Shah J/w. Anita Shah	50,000
17	Jagdishbhai Patel	50,000
18	Arjun Jagdish Patel	40,000
19	Varshaben Patel	35,000
20	Sachin Patel	30,000
21	Akshay Patel	28,000
22	Dimple Patel	28,000
23	Hetal Patel	27,000
24	Pareshkumar Patel	27,000
25	Bhavikbhai H. Patel	25,417
26	Bhumi Kalpesh Patel	25,000
27	Kalpesh Ramanlal Patel HUF	25,000
28	Manishkumar Sureshchandra Rami HUF	25,000
29	Nilam Bipin Parmar	25,000
30	Swapnil K. Bhatt	20,000
31	Nirali Patel	10,000
32	Nisarg Satishkumar Patel	10,000
33	Subhadraben s. Patel	10,000
34	Asha Vishnubhai Patel	1
	Total	**31,93,849**

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Judicial Pronouncements

In case of a valuation for Amalgamation, the emphasis is on arriving at the “relative” values of the shares of the merging companies to facilitate determination of the “share exchange ratio”. Hence, the purpose is not to arrive at absolute values of the shares of the companies.

Judicial Pronouncements: -

Hindustan lever Employees’ Union v/s Hindustan lever Limited and others (1995) 83 Company cases 30 (SC)

The jurisdiction of the Court in sanctioning a claim of merger is not to ascertain mathematical accuracy if the determination satisfied the arithmetical test. A company court does not exercises appellate jurisdiction. It exercises a jurisdiction founded on fairness. It is not required to interfere only because the figure arrived at by the valuer was not as good as it would have been if another method had been adopted. What is imperative is that such a determination should not have been contrary to law and that it was not unfair for the shareholders of the company which was being merged.

The Hon’ble Supreme Court held “We do not think that the internal management, business activity or institutional operation of public bodies can be subjected to inspection by the court. To do so, is incompetent and improper and, therefore, out of bounds.”

The **dominance of profits for valuation of share was emphasized in “McCathies case”** (Taxation, 69 CLR 1) where it was said that “the real value of shares in a company will depend more on the profits which the company **has been making and should be capable of making,** having regard to the nature of its business, than upon the amount which the shares would realize on liquidation This was also re-iterated by the Indian Courts in Commissioner of Wealth Tax v. Mahadeo Jalan’s case (S.C.) (86 ITR 621) and AdditionalCommissioner of Gift Tax v. Kusumben D. Mahadevia (S.C.) (122 ITR 38).

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment considering all the relevant factors. There will always be several factors, e.g., present, and prospective competition, yield on comparable securities, and market sentiments etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of a share.

Based on the facts of the case, we have undertaken the relative valuation of U R Energy and Jhaveri for the purpose of proposed amalgamation as per the Internationally Accepted Valuation Methodologies.

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Approach for Recommendation of Share Exchange Ratio

- The proposed Scheme contemplates the Amalgamation pursuant to a Scheme of arrangement. Arriving at the fair equity share exchange ratio for the proposed amalgamation of U R Energy with Jhaveri would require determining the fair values of each company. These values are to be determined independently but on a relative basis, and without considering the effect of the proposed Merger.
- There are several methods of valuation, which are recognized as sound methods for arriving at the fair market value of the equity shares of the Companies. It is beyond doubt that no single method can be used in all situations.
- Several factors will have to be factored in before one arrives at the decision of using one or more methods of valuation. Some indicative illustrations are as under:
  - The nature of the business and the history of the enterprise from its inception.
  - History of asset creation and change in its market value as compared to book value.
  - Intangible assets either on or off the Balance Sheet.
  - Objective for which the valuation is carried out.
  - Comparison of profitability of the company inter-se and with industry average.
  - The market price of equity shares of listed companies engaged in the same or similar business segment

The Valuation approach adopted for Jhaveri and U R Energy are given in **Annexure 1 and 2** respectively.

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Valuation Analysis

- As detailed in Annexure 1, the Valuation of Jhaveri as per the Market Price Method (MPM) Method (based on volume -weighted average price for the last 90 trading days and 10 trading days from the relevant date i.e. 30th March 2024 and preceding date was 29th March 2024 which was meeting Exchange holiday so for the purpose of computation for VWAP date comes 28th March 2024) has been undertaken and the same is worked out **at INR 426.71 per equity share of Jhaveri Credits And Capital Limited** . Working of the same is given in **Annexure 1.**

- Valuation of U R Energy as per the combined use of Discounted Cash Flow Method (DCF) (based on the Management Certified balance sheet and Projection) and the same is worked out at **INR 215.91 per equity share of U R Energy (India) Private Limited**. Working of the same is given in **Annexure 2.**

- Considering the above, the computation of fair Share Exchange Ratios as derived by us for the proposed amalgamation of U R Energy with Jhaveri are as under:

Valuation Approach	**U R Energy (India) Private Limited**		**Jhaveri Credits And Capital Limited**	
	Value per share	Weight	Value per share	Weight
Income Approach	215.91	100%	NA	NA
Asset Approach	NA	NA	NA	NA
Market Approach	NA	NA	426.71	100%
Relative value per share	215.91		426.71	
Exchange Ratio	**500 : 253**			

Conclusion

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following fair share exchange ratio of equity shares for the Proposed Scheme of Amalgamation:

253 (Two hundred fifty-three) fully paid Equity Share of Rs. 10/- each of **Jhaveri Credits And Capital Limited** shall be issued and allotted for every **500 (Five hundred)** Equity Shares of Rs.10/- each held in **U R Energy (India) Private Limited**.

Yours Faithfully

Sagar Shah
Reg. No.: IBBI/RV/06/2020/13744
ICAI RVO Reg. No.: ICAIRVO/06/RV-P00155/2020-21

Date: 28th March 2024
Place: Ahmedabad

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Scope Limitations, Assumptions and Disclaimers

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 us.

This report, its contents and the results herein are specific and subject to

i. the purpose of valuation agreed as per the terms of this engagement;
ii. the date of this report;
iii. data detailed in the section- Sources of Information.

A value analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular. It is based on information made available up to the report date, events occurring after that date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the valuer and judgment considering the relevant factors. There will always be several factors e.g. Management capability, present and prospective yield on comparable securities, market sentiment etc., which are not evident on the face of the financial statement but which will strongly influence the equity value of the Company.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Company till the report date and other sources, and the said recommendation(s) shall be considered to be in the nature of non-binding advice (our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

The determination of fair value 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 indisputable single fair value. While we have provided our recommendation of the fair share exchange ratio of the proposed scheme based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion.

In the course of our analysis, we were provided with both written and verbal information, including market, technical, financial and operating data by the Management.
In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification of,

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i. the accuracy of information made available to us by the Management, which formed a substantial basis for this report; and
ii. the accuracy of the information that was publicly available

We have neither carried out a due diligence or audit or review of the Company for the purpose of this engagement, nor independently investigated or otherwise verified the data provided.

We are not legal or regulatory advisors with respect to legal and regulatory matters for the transaction. We do not express any form of assurance that the financial information or other information as prepared and provided by the Company is accurate. Also, with respect to explanations and information sought from the advisors, we have been given to understand by the Company that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt.

Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. Our conclusions are based on these assumptions and information given by/on behalf of the Management. The Management of the Company has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Company and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Company. However, nothing has come to my attention to indicate that the information provided was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that my inquiries could have verified any matter, which a more extensive examination might disclose.

The report assumes that the Company complies fully with relevant laws and regulations applicable in all its areas of operations and that the Company will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary; this report has given no consideration on 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 represented to us by the Management.

This report neither look into the business/ commercial reasons behind the transaction nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is only restricted to the estimation of the fair share exchange ratio of the proposed scheme of amalgamation of U R Energy (India) Private Limited with Jhaveri Credits And Capital Limited.

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The fee for the Engagement is not contingent upon the results reported. We owe responsibility only to the Board of Directors of Jhaveri Credits And Capital Limited, who have appointed us, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion. In no circumstance shall the liability exceed the amount as agreed in our Engagement Letter.

Neither the value analysis report nor its contents 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 purpose of ascertaining the fair share exchange ratio of the proposed scheme without our prior written consent.

<<<< *End of Report*>>>>

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Annexure 1

Approach to Valuation – Jhaveri Credits And Capital Limited

Method of Valuation

There are several commonly used and accepted methods for determining the value of business/shares of the company, which would be applied to the present case, to the extent relevant and applicable, such as:

- Market Approach - Value based on Market multiples of Comparable listed companies (CCM) and Market Price Method
- Asset Approach - Cost Replacement or Cost Reproduction value based on the value of the assets and liabilities.
- Income Approach - Value based on the Discounted cash flow (DCF) method.

Market Approach – Market Price Method (MPM)

- The market price of an equity share is the barometer of the true value of the Company in case of listed companies. The market value of shares of the company quoted on a recognized stock exchange, where quotations are arising from regular trading reflects the investor's perception about the true worth ofthe listed companies. The valuation is based on the principles that market valuations arising out of regular trading captures all the factors relevant to the Company with an underlying assumption that markets are perfect, where transactions are being undertaken between informed buyers and informed sellers on the floor of the recognized stock exchange.
- Considering the fact that Jhaveri Credits And Capital Limited is listed on Bombay Stock Exchange (BSE) and its shares are being frequently traded on the stock exchange, we have applied Market price Method to arrive at the fair value of equity share.

Asset Approach - Cost Replacement Method

- The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence..
- Considering the background of the transaction and objective of finding the fair value of equity shares of companies under evaluation for share exchange ratio, we have not used this method for our Analysis.

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Income Approach - Discounted Free Cash Flow Method (DCF)

- Under this method, the value of equity share of the Company is arrived at by analyzing the historical trends and the future financial projections of the Company. This method takes into account the future potential earnings of the Company and profitability of the Company. It discounts the future earning potential of the Company and arrives at the possible market price of the Company on the present day.
- The Discounted Free Cash Flow Method is one of the most rigorous approaches to valuation of business. In this method, the projected free cash flows from business operations are discounted at the weighted average cost of capital and sum of such discounted free cash flows is the value of the business.
- Considering the background of the transaction and in the absence of financial projections, we have not adopted this method to arrive at the fair value of shares of Jhaveri.

Conclusion

Considering all the aforementioned, since the other valuation methods are not suitable for Jhaveri, we have considered the Market approach as the most appropriate approach.

Further, the relevant SEBI regulations provide that, issuance of shares under schemes in case of allotment of shares only to a select group of shareholders or shareholders of unlisted companies pursuant to schemes shall follow the pricing provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

We have considered the prescribed regulation for conducting the Valuation analysis, details of the same are given in ensuing paras.

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Valuation Analysis

Chapter V of SEBI ICDR Regulation

As per Chapter V of SEBI ICDR Regulation, the price is to be determined as per the regulation 164(1) of SEBI (ICDR) Regulation.

Reg 164(1) of SEBI ICDR Regulations provides that

- If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be **not less than higher** of the following:

    - the **90 trading days** volume weighted average price of the related equity shares quoted on a recognised stock exchange preceding the relevant date; **or**

    - the **10 trading days** volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date,

Further, the SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 provides that the 'relevant date' for the purpose of computing price shall be the date of Board meeting in which the scheme is approved.

Further, Reg 166A of SEBI ICDR Regulation provides that any preferential issue, which may result in a change in control or allotment of more than 5 per cent. of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer.

Given the fact that the Board meeting of Jhaveri Credits And Capital Limited is scheduled on 30^{th} March 2024 and hence, same will also be the relevant date for computation of price.

We have arrived at the price as per the prescribed regulation and the weighted average price for 90 days and 10 days has been worked out to INR 362.65 and INR 426.71 respectively. Higher of the same ie INR 426.71 has been considered as the market price of Jhaveri as prescribed in the Regualtion.

Conclusion

Given all the above, as per the analysis above, the fair value of equity shares of Jhaveri works out to **INR 426.71 per share.** The detailed working of the valuation analysis is given in **Annexure 1A**

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Annexure 1A - Jhaveri Credits And Capital Limited								
Reg 164(1)								
Date	Open Price	High Price	Low Price	Close Price	WAP	No.of Shares	No. of Trades	Total Turnover (Rs.)
28-03-2024	445.05	480.75	445.05	480.75	480.08	10,345	237	49,66,422
27-03-2024	455.00	457.90	450.00	457.90	457.58	5,005	145	22,90,184
26-03-2024	429.95	436.10	424.00	436.10	433.51	3,569	144	15,47,207
22-03-2024	378.05	415.35	378.05	415.35	390.16	17,711	226	69,10,066
21-03-2024	395.00	415.15	394.40	395.60	395.57	12,251	208	48,46,168
20-03-2024	415.20	435.00	415.15	415.15	415.47	3,525	103	14,64,529
19-03-2024	440.00	481.00	437.00	437.00	440.93	7,757	136	34,20,330
18-03-2024	432.00	462.80	418.80	459.95	449.13	8,016	189	36,00,190
15-03-2024	440.80	440.80	440.80	440.80	440.80	1,923	29	8,47,658
14-03-2024	449.75	449.75	449.75	449.75	449.75	885	19	3,98,028
13-03-2024	458.90	458.90	458.90	458.90	458.90	826	22	3,79,051
12-03-2024	468.25	468.25	468.25	468.25	468.25	940	32	4,40,155
11-03-2024	479.00	479.00	477.80	477.80	478.29	3,053	55	14,60,211
07-03-2024	487.55	495.00	487.55	487.55	487.79	3,392	49	16,54,579
06-03-2024	497.50	497.50	497.50	497.50	497.50	1,327	46	6,60,182
05-03-2024	507.65	507.65	507.65	507.65	507.65	4,530	72	22,99,654
04-03-2024	518.00	518.00	518.00	518.00	518.00	13,212	173	68,43,816
02-03-2024	527.30	527.30	527.30	527.30	527.30	201	3	1,05,987
01-03-2024	517.00	517.10	517.00	517.00	517.03	10,216	113	52,81,939
29-02-2024	508.85	508.85	507.00	507.00	508.48	6,393	113	32,50,743
28-02-2024	498.90	498.90	498.90	498.90	498.90	3,667	26	18,29,466
27-02-2024	489.15	489.15	489.15	489.15	489.15	1,015	10	4,96,487
26-02-2024	479.60	479.60	479.60	479.60	479.60	2,004	9	9,61,118
23-02-2024	470.20	470.20	470.20	470.20	470.20	470	11	2,20,994
22-02-2024	461.00	461.00	461.00	461.00	461.00	234	7	1,07,874
21-02-2024	452.00	452.00	452.00	452.00	452.00	1,187	22	5,36,524
20-02-2024	443.15	443.15	443.15	443.15	443.15	3,741	23	16,57,824
19-02-2024	434.50	434.50	434.50	434.50	434.50	2,529	32	10,98,850
16-02-2024	426.10	426.10	426.00	426.00	426.04	6,395	45	27,24,506
15-02-2024	417.75	417.75	417.75	417.75	417.75	3,537	55	14,77,581
14-02-2024	426.25	426.25	426.25	426.25	426.25	1,389	47	5,92,061
13-02-2024	434.90	434.90	434.90	434.90	434.90	1,470	38	6,39,303
12-02-2024	443.75	443.75	443.75	443.75	443.75	2,247	85	9,97,106
09-02-2024	452.80	452.80	452.80	452.80	452.80	5,676	68	25,70,092
08-02-2024	471.10	471.20	462.00	462.00	470.78	6,527	67	30,72,758
07-02-2024	461.90	462.00	461.90	462.00	461.96	1,196	17	5,52,502
06-02-2024	452.95	452.95	452.95	452.95	452.95	8,398	97	38,03,874
05-02-2024	444.30	444.35	444.30	444.35	444.31	4,358	33	19,36,319

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02-02-2024	435.55	435.65	435.00	435.65	435.50	21,799	98	94,93,540
01-02-2024	427.15	427.15	427.15	427.15	427.15	1,731	8	7,39,396
31-01-2024	418.80	418.80	418.80	418.80	418.80	2,026	12	8,48,488
30-01-2024	410.60	410.60	410.60	410.60	410.60	2,092	12	8,58,975
29-01-2024	402.55	402.55	402.55	402.55	402.55	4,357	28	17,53,910
25-01-2024	394.70	394.70	394.70	394.70	394.70	4,701	11	18,55,484
24-01-2024	387.00	387.00	387.00	387.00	387.00	606	11	2,34,522
23-01-2024	379.45	379.45	379.45	379.45	379.45	971	13	3,68,445
20-01-2024	372.05	372.05	372.05	372.05	372.05	847	10	3,15,126
19-01-2024	364.80	364.80	364.80	364.80	364.80	450	10	1,64,160
18-01-2024	357.65	357.65	357.65	357.65	357.65	489	9	1,74,890
17-01-2024	350.65	350.65	350.65	350.65	350.65	3,887	29	13,62,976
16-01-2024	343.80	343.80	343.75	343.80	343.78	943	13	3,24,188
15-01-2024	337.10	337.10	337.10	337.10	337.10	11,339	29	38,22,376
12-01-2024	330.50	330.50	330.50	330.50	330.50	17,367	45	57,39,793
11-01-2024	314.80	314.80	314.80	314.80	314.80	485	16	1,52,678
10-01-2024	299.85	299.85	299.85	299.85	299.85	1,896	33	5,68,515
09-01-2024	281.95	285.60	258.40	285.60	284.30	23,539	196	66,92,220
08-01-2024	266.60	279.90	260.05	272.00	271.08	2,796	90	7,57,944
05-01-2024	261.05	284.60	261.05	272.00	274.93	3,824	75	10,51,315
04-01-2024	274.00	288.95	270.00	272.90	282.42	4,851	95	13,70,009
03-01-2024	271.50	282.25	263.25	275.60	274.41	3,858	74	10,58,679
02-01-2024	284.00	284.00	260.50	277.00	272.14	622	54	1,69,274
01-01-2024	289.90	289.90	270.00	273.65	275.09	3,556	112	9,78,218
29-12-2023	297.90	297.90	279.40	284.20	284.68	2,496	86	7,10,560
28-12-2023	303.00	303.95	276.40	293.95	291.83	8,535	155	24,90,798
27-12-2023	291.45	291.45	263.75	290.90	286.90	20,959	210	60,13,137
26-12-2023	277.60	277.60	277.60	277.60	277.60	3,289	16	9,13,026
22-12-2023	264.40	264.40	264.00	264.40	264.35	4,208	20	11,12,394
21-12-2023	254.00	259.25	253.00	259.25	258.79	6,355	25	16,44,629
20-12-2023	254.20	254.20	254.20	254.20	254.20	517	12	1,31,421
19-12-2023	259.35	259.35	259.35	259.35	259.35	1,811	19	4,69,682
18-12-2023	269.95	269.95	264.60	264.60	265.51	2,591	23	6,87,937
15-12-2023	268.70	270.00	268.55	270.00	269.93	2,597	22	7,01,004
14-12-2023	278.55	278.55	273.00	274.00	277.03	746	18	2,06,668
13-12-2023	278.55	278.55	278.55	278.55	278.55	4,802	26	13,37,597
12-12-2023	284.20	284.20	284.20	284.20	284.20	1,776	25	5,04,739
11-12-2023	290.95	290.95	290.00	290.00	290.87	3,246	46	9,44,168
08-12-2023	285.25	285.25	285.25	285.25	285.25	116	4	33,089
07-12-2023	279.70	279.70	279.70	279.70	279.70	4,140	37	11,57,958
06-12-2023	273.90	274.25	273.90	274.25	274.05	13,216	19	36,21,853
05-12-2023	259.55	270.00	259.55	268.90	264.21	24,659	76	65,15,115
04-12-2023	264.80	264.80	264.80	264.80	264.80	11,817	81	31,29,141

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01-12-2023	270.20	270.20	270.20	270.20	270.20	1,467	27	3,96,383
30-11-2023	281.30	281.30	275.70	275.70	276.43	2,557	40	7,06,824
29-11-2023	281.30	281.30	281.30	281.30	281.30	2,133	27	6,00,012
28-11-2023	287.00	287.05	287.00	287.00	287.01	3,632	70	10,42,404
24-11-2023	292.85	292.85	292.85	292.85	292.85	24,953	15	73,07,486
23-11-2023	287.15	287.15	287.15	287.15	287.15	521	5	1,49,605
22-11-2023	281.55	281.55	281.55	281.55	281.55	3,276	14	9,22,357
21-11-2023	276.05	276.05	276.05	276.05	276.05	978	9	2,69,976
20-11-2023	270.65	270.65	270.65	270.65	270.65	2,341	15	6,33,591
Total						**4,49,883**		**16,31,51,013**
Volume weighted average price of 90 days								**362.65**

Annexure 1B - Jhaveri Credits And Capital Limited								
Reg 164(1)								
Date	**Open Price**	**High Price**	**Low Price**	**Close Price**	**WAP**	**No.of Shares**	**No. of Trades**	**Turnover**
28-03-2024	445.05	480.75	445.05	480.75	480.08	10,345	237	49,66,422
27-03-2024	455	457.9	450	457.9	457.58	5,005	145	22,90,184
26-03-2024	429.95	436.1	424	436.1	433.51	3,569	144	15,47,207
22-03-2024	378.05	415.35	378.05	415.35	390.16	17,711	226	69,10,066
21-03-2024	395	415.15	394.4	395.6	395.57	12,251	208	48,46,168
20-03-2024	415.2	435	415.15	415.15	415.47	3,525	103	14,64,529
19-03-2024	440	481	437	437	440.93	7,757	136	34,20,330
18-03-2024	432	462.8	418.8	459.95	449.13	8,016	189	36,00,190
15-03-2024	440.8	440.8	440.8	440.8	440.80	1,923	29	8,47,658
14-03-2024	449.75	449.75	449.75	449.75	449.75	885	19	3,98,028
Total						**70,987**		**3,02,90,782**
Volume weighted average price of 10 days								**426.71**

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Annexure 2

Approach to Valuation – U R Energy (India) Private Limited

Selection of Valuation Methodology

There are several commonly used and accepted methods for determining the value of business/shares of the company, which would be applied to the present case, to the extent relevant and applicable, such as:

- Market Approach - Value based on Market multiples of Comparable listed companies (CCM) and Market Price Method
- Asset Approach - Cost Replacement or Cost Reproduction value based on the value of the assets and liabilities.
- Income Approach - Value based on the Discounted cash flow (DCF) method.

Market Approach - Comparable Company Multiples Method (CCM)

- Under the CCM Method, the value of shares/ business of a company is determined based on market multiples of publicly traded comparable companies, that is, valuation based on multiples benchmarked to the multiples of similar assets in the industry. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.
- To make this comparison, we begin by identifying a valuation multiple (like Price to Book value, Enterprise value to sales multiple or earnings multiple etc.). This multiple is applied to the earnings/sales/book value figure of the company being valued to arrive at the fair valuation of the company after making suitable adjustments for size & liquidity. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company.
- Considering the absence of a listed comparable company engaged in similar activities or possessing a similar size and operations as U R Energy, we have opted not to utilize the Market Approach to value the equity shares of U R Energy.

Asset Approach - Cost Replacement Method

- The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides an indication of value by calculating the

SAGAR V. SHAH Securities or Financial Assets Registerd Valuer IBBI/RV/06/2020/13744 current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence.

- Considering the facts of the case that U R Energy is a going concern and further the management can reliably provide the future financial projection, we have not considered this method for our analysis.

Income Approach - Discounted Free Cash Flow Method (DCF)

- Under this method, the value of equity share of the Company is arrived at by analyzing the historical trends and the future financial projections of the Company. This method takes into account the future potential earnings of the Company and profitability of the Company. It discounts the future earning potential of the Company and arrives at the possible market price of the Company on the present day.
- The Discounted Free Cash Flow Method is one of the most rigorous approaches to valuation of business. In this method, the projected free cash flows from business operations are discounted at the weighted average cost of capital and sum of such discounted free cash flows is the value of the business.
- Use of Discounted Free Cash Flows method involves determining the following:
    - Estimated future cash flows
    - Number of years cash flows used in the study
    - Appropriate Discount Rate to be applied to cash flows
    - The continuing value i.e. the cumulative value of the free cash flows beyond the explicit forecast period.
    - Value of Debt, if any.
- The value of the firm is obtained by discounting expected cash flows to the firm, i.e., the residual cash flows after meeting all operating expenses, reinvestment needs and taxes, but prior to any payments to either debt or equity holders, at the weighted average cost of capital, which is the cost of the different components of financing used by the firm, weighted by their market value proportions.

$$\text{Value of Firm} = \sum_{t=1}^{t=n} \frac{\text{CF to Firm}_t}{(1+\text{WACC})^t}$$

Where,

CF to Firm = Expected Cash flow to Firm in period t

WACC = Weighted Average Cost of Capital

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- The weighted average cost of capital is the discount factor used to arrive at the value of the firm. Discounting free cash flow to the firm at the cost of capital will yield the value of operating assets of the firm. To arrive at the firm value, the value of non-operating assets will also have to be added. Non-operating assets include cash, marketable securities and holdings in other companies.

- Terminal value is the present value at a future point in time of all future cash flows when we expect stable growth rate forever. To arrive at the terminal value, the Perpetuity Growth Model is used which accounts for the value of free cash flows that continue into perpetuity in the future, growing at an assumed constant rate.

- Here, the projected free cash flow in the first year beyond the projection horizon (N+1) is used. This value is divided by the discount rate minus the assumed perpetuity growth rate. $T_0 = FCF_{n+1} / (k - g)$. T_0 is the value of future cash flows at a future point in time which is immediately prior to N+1, or at the end of period N, which is the final year in the projection period, k being the discount rate and g being the perpetual growth rate. This equation is a perpetuity, which uses a geometric series to determine the value of a series of growing future cash flows.

- Considering the background of the transaction and since the company is going concern and as the management can reliably estimate the future financial projections, we have considered the DCF method of Valuation.

Conclusion

Considering the factors mentioned above and following a meticulous assessment of available valuation methodologies, we have conducted a thorough valuation using DCF method.

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Valuation Analysis

1. Income Approach - DCF Working Analysis

Financial Projection

For valuing the equity share of U R Energy, we have relied on the Financial Projections as prepared and provided to us by the Management of U R Energy.

The management has furnished us with financial forecasts encompassing the latter part of the fiscal year 2023-24, beginning from January 1st , 2024, to March 31, 2024 and for subsequent four fiscal years, spanning from Financial Year 2024-25 to Financial Year 2027-28.

We did not carry out any validation procedures or due diligence with respect to the information provided/ extracted or carry out any verification of the assets or comment on the achievability of the assumptions underlying the Management Projections, save for satisfying ourselves to the extent possible that they are consistent with other information provided to us during the course of this engagement.

Discount factor

An important element of valuation using DCF is the selection of a discount rate that reflects the expected rate of return (adjusted for risks associated with the investment) to prospective investors in similar investment opportunities. As we are computing free cash flow to the firm, we are considering the cash flow for the Enterprise as whole. The weighted average cost of capital (WACC), which reflects the opportunity cost to company is used as the best indicator of the relevant discount rate.

The calculation of WACC has been elucidated below:

Determination of Cost of Equity

The cost of equity has been determined by using the Capital Asset Pricing model ("CAPM").

Cost of Equity = Rf + (Rm-Rf) * β

Rf = Risk-free rate of return

Rm = Return on diversified market portfolio

Rm-Rf = Market Risk premium

β = Systematic risk fator associated with the industry i.e. Beta.

Determination of Risk Free Rate and Market Risk Premium

Rf has been taken at 7.196% being YTM on long-term risk free central government securities based on yield of India 10-Year Government Bond as on date of valuation. Market Risk Premium is the premium earned on equities issued in India over and above the risk free return Rf earned i.e. Risk Premium = Rm-Rf. The average rate of return on Equity (Rm) is taken on

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the basis of the average equity market return of the NSE 500 over 10 years (2013-2023) is 14.73% (Rm). Accordingly, the Market risk premium has been arrived at is 7.54%.

Determination of Beta

Beta is a measure of volatility or systematic risk of the return on a particular security to the return on a market portfolio. It is understandable that the Company is engaged in Solar industry and accordingly, we have relied on the Beta published by Mr Ashwath Damodaran and have taken the unlevered beta of Power industry, which are comparable to the Company in terms of nature of services and relevered using the debt-equity ratio of U R Energy. Accordingly, we have arrived the Beta of 1.03 and used the same for the purpose of valuation of U R Energy.

Company-Specific Risk Premium

Ke has been considered after adding company-specific risk premium of 10.00% on a reasonable basis. Accordingly, Ke has been computed as follows:

Cost of Equity	
Risk free rate (Rf)	7.18%
Market Return (Rm)	14.73%
Beta	1.03
Company Specific Risk Premium	10.00%
Cost of Equity (Ke)	**24.94%**

Cost of Debt

We have been provided the actual cost of debt is 7%. The calculation of the effective cost of Debt has been elucidated below:

Cost of Debt	
Cost of Debt	7.00%
Tax Rate	25.17%
Effective Cost of Debt	**5.24%**

Calculation of WACC

Given all the above, WACC for U R Energy works out as under:

WACC	
Effective Cost of Debt	5.24%
Cost of Equity	24.94%
Weight of Equity	73.97%
Weight of Debt	26.03%
WACC	**19.82%**

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The WACC i.e. 19.82% as determined above is taken into account to determine the present value of free cash flows arising to the enterprise from the explicit forecast period.

Determination of Value in Perpetuity

The perpetuity value is the value of the business beyond the explicit forecast period and is the value of the maintainable annual cash flow divided by the Ke less growth factor. The perpetuity value is then discounted to the present value. We have considered 5.00% perpetuity growth considering the nature of the business model of U R Energy and the industry to which it caters. The sum of value during the explicit forecast period and perpetuity value gives the "Equity Value".

Free Cash Flow Buildup					
Projected Annual Forecast					
Period	**2024P**	**2025P**	**2026P**	**2027P**	**2028P**
	0.50	0.75	1.75	2.75	3.75
Unlevered FCFs	6,92,87,485	2,72,18,714	4,69,15,986	7,67,03,563	11,06,57,704
WACC	19.82%	19.82%	19.82%	19.82%	19.82% 5,
Present value of FCFs	6,32,99,226	2,37,64,530	3,41,87,684	4,66,49,992	61,70,061
Sum of present values of FCFs	22,40,71,493				

Terminal Value	
Growth in perpetuity method:	
Long-term growth rate	5.00%
WACC	19.82%
Free cash flow (t+1)	11,61,90,590
Terminal Value	78,42,53,237
Present Value of Terminal Value	**39,80,88,429**

Equity Value Per Share	
Sum of present values of FCFs	22,40,71,493
Present Value of Terminal Value	39,80,88,429
Enterprise Value	**62,21,59,922**
Add: Surplus Assets	1,97,07,992
Add: Cash	11,92,59,878
Less - Value of Debt	7,15,41,466
Total Equity Value	**68,95,86,326**

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Given all the above, as per working above, the fair value of equity of U R Energy works out to **INR 68,95,86,326 resulting into per share value of INR 215.91.**Detailed working has been given in the **Annexure 2A**.

SAGAR V. SHAH
Securities or Financial Assets
Registerd Valuer
IBBI/RV/06/2020/13744

Annexure 2A - DCF Working

Free Cash Flow Buildup

	Projected Annual Forecast				
	2024P	**2025P**	**2026P**	**2027P**	**2028P**
Period	0.50	0.75	1.75	2.75	3.75
Total Revenues	21,55,50,000	74,95,25,258	1,01,18,59,099	1,31,54,16,828	1,57,85,00,194
EBITDA	1,07,77,500	4,12,23,889	6,07,11,546	8,55,02,094	11,04,95,014
EBIT	1,05,99,568	4,05,05,683	5,99,52,025	8,46,63,173	10,95,47,749
Tax rate	**0**	**0**	**0**	**0**	**0**
EBIAT	**79,31,657**	**3,03,10,403**	**4,48,62,100**	**6,33,53,453**	**8,19,74,581**
Depreciation & Amortization	1,77,932	7,18,206	7,59,521	8,38,921	9,47,264
Accounts receivable	3,08,27,226	-79,85,809	-1,07,80,843	-1,24,74,975	-1,08,11,645
Inventories	2,29,47,355	-3,10,27,675	-3,38,21,044	-2,74,03,362	-54,41,861
Short term loans and Advances	-1,60,38,251	-1,94,32,136	-2,62,33,384	-3,03,55,773	-2,63,08,337
Other Current Liabilities	1,75,73,935	4,60,20,288	6,07,11,546	6,96,91,795	5,95,22,611
Accounts payable	60,67,632	75,64,979	99,79,980	1,14,56,186	97,84,539
Capex	-2,00,000	-7,90,352	-9,90,352	-11,90,352	-13,90,352
Unlevered free cash flows	**6,92,87,485**	**2,72,18,714**	**4,69,15,987**	**7,67,03,564**	**11,06,57,705**
WACC	*19.82%*	*19.82%*	*19.82%*	*19.82%*	*19.82%*
Present value of free cash flows	6,32,99,226	2,37,64,530	3,41,87,684	4,66,49,992	5,61,70,061
Sum of present values of FCFs	**22,40,71,493**				

Terminal Value

Growth in perpetuity method:

Long term growth rate	5.0%
WACC	19.82%
Free cash flow (t+1)	11,61,90,590
Terminal Value	78,42,53,237
Present Value of Terminal Value	**39,80,88,429**

WACC

Cost Of Debt	7.00%
Tax Rate	25.17%
Effective Cost of Debt	5.24%
Cost of Equity	24.94%
Equity Share Capital	20,33,42,350
Debt	7,15,41,466
Weight of Equity	73.97%
Weight of Debt	26.03%
WACC	**19.82%**

Cost of Equity

Risk free rate (Rf)	7.18%
Market Return (Rm)	14.73%
Beta	1.03
Company Specific Risk Premium	10.00%
Cost of Equity (Ke)	**24.94%**

Equity Value Per Share

Enterprise Value	62,21,59,922
Add: Cash	11,92,59,878
Add: Surplus Assets	1,97,07,992
Less - Value of Debt (including Contingent liability)	7,15,41,466
Total Equity Value	**68,95,86,326**
Outstanding Shares	31,93,849
Per Share Value	**215.91**

SAGAR V. SHAH ★ Securities or Financial Assets ★ Registerd Valuer IBBI/RV/06/2020/13744