

**Valuation Report for Determination of
Fair Value of Equity Shares of
ABSOLUTE PROJECTS (INDIA) LIMITED**

NEHA BHANDARI

Registered Valuer –Securities or Financial Assets

IBBI Reg. No.: IBBI/RV/16/2021/14449

NEHA BHANDARI

REGISTERED VALUER

To,
The Board of Directors,
Absolute Projects (India) Limited
4222/1 Laxmi Kunj 1st Floor,
Ansari Road D Ganj,
New Delhi, Delhi- 110002, India

10 June 2025

Subject: Opinion on Fair Value of Equity Shares of “Absolute Projects (India) Limited”

Dear Sir/ Madam,

We refer to the engagement letter dated **01 June 2025**, and the discussions undertaken with the Management of **Absolute Projects (India) Limited** (hereinafter referred to as ‘APIL’ or ‘the Company’) wherein the Management of Absolute Projects (India) Limited has requested Neha Bhandari, IBBI Registered Valuer- Securities or Financial Assets (referred to as ‘RV’ or ‘I’ or ‘we’) to determine fair value of Equity Shares of APIL as on **31 March 2025** (‘Valuation Date’).

This report sets out our scope of work, background, sources of information, procedures performed by us, key value considerations and our opinion on the fair value of the equity shares. I have summarized the valuation analysis of the company as on the valuation date together with the description of the purpose, methodologies used and limitations on our scope of work in accordance with the Valuation Standards issued by the Institute of Chartered Accountants of India and Internationally Accepted Valuation principles.

Our analysis and report are in conformity with the “ICAI Valuation Standards” issued by the Institute of Chartered Accountants of India. In addition to the general standards/ guidelines of the IVS, our report specifically complies with ICAI Valuation Standards.

Because of the limited purpose of this report, the financial information presented in this report may be incomplete and contain departures from generally accepted accounting principles. We have not audited, reviewed, or compiled the financial information provided by the management and express no assurance on it. Had we audited or reviewed the financial information matters may have come to our attention that could have resulted in our use of the amounts that differ from those provided. Accordingly, we take no responsibility for the underlying data presented in this report.

This document is provided on the basis that it is kept CONFIDENTIAL, and its circulation and use are RESTRICTED. It should not be copied or sent to any other person without the express permission of our office.

I am pleased to present here with our report on the same. We are thankful to the Management of the company for their kind co-operation extended during this assignment.

Yours Sincerely,

Neha Bhandari

Neha Bhandari

IBBI Registered Valuer- SFA

IBBI Reg. No.: IBBI/RV/16/2021/14449

UDIN: 25407560BMHVQE5565

Date: 10 June 2025

Place: Jaipur



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EXECUTIVE SUMMARY

Valuation Date	31 March 2025
Date of Report	10 June 2025
Purpose of Valuation	Regulatory purpose
Base of Valuation	Fair Value
Premise of Valuation	Going Concern
Value Variation from Standard Assumptions	None
Special Assumptions	None
Capacity & Status of Valuer	External-Neha Bhandari (RV-S&FA) IBBI Registration No. : IBBI/RV/16/2021/14449
Independence	The total fees, including the fee for this assignment earned from the instructing party are less than 5.0% of our total annual revenues

FAIR VALUE

Based on our study and analytical review procedures subject to the limitations expressed within this report, in our opinion the fair value of the equity shares of APIL as on valuation date is **INR 350/-** per share of face value of **INR 10/-** each.

The above executive summary is to be read in conjunction with the valuation report to which it forms part of and is subject to the assumptions, caveats and bases of valuation stated herein and should not be read in isolation.

INTRODUCTION OF ENGAGEMENT

Purpose of Valuation Exercise

- ❖ Based on discussion with the management, we understand that the Company intends to raise funds by issue of equity shares to prospective investors. Section 62(1)(c)- Preferential Allotment of shares and Section 42 (Offer or Invitation for Subscription of Securities on Private Placement) of Companies Act, 2013 read along with Companies (Share Capital and Debentures) Rules, 2014 and Companies (Prospectus and Allotment of Securities) Rules, 2014 requires the Company to get the valuation of equity shares to be done by a valuer being a Registered Valuer under section 247 of Companies Act, 2013.
- ❖ In this context, the management requires our assistance in determining the fair value of equity shares of the company. As requested by the management, we have undertaken the value analysis of the equity shares of the Company on an 'as is where is', going concern basis, as of 31 March 2025 ('Valuation Date') for compliance with the requirements of Companies Act, 2013 and Companies (Share Capital and Debenture) Rules, 2014 thereof, as amended time to time.

Compliance with Valuation Standards and Valuation Basis

- ❖ Our analysis and report are in conformity with the “ICAI Valuation Standards” issued by the Institute of Chartered Accountants of India. In addition to the general standards/ guidelines of the IVS, our report specifically complies with
 - a. ICAI Valuation Standard 102 - Valuation Bases (IVS 102)
 - b. ICAI Valuation Standard 103 - Valuation Approaches and Methods (IVS 103)
 - c. ICAI Valuation Standard 201 - Scope of Work, Analyses and Evaluation (IVS 201)
 - d. ICAI Valuation Standard 202 - Reporting and Documentation (IVS 202)
 - e. ICAI Valuation Standard 301 - Business Valuation (IVS 301)
- ❖ The valuation basis used in arriving at valuation conclusion is 'Fair Value'. *'Fair value' is defined by IVS 102 as “the price that would be received to sell an asset or paid to transfer 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 forced transaction. The length of exposure time will vary according to the type of asset and market conditions.*”

IVS 102 further defines 'Market participants' as willing buyers and willing sellers in the principal (or most advantageous) market for the asset or liability that have all the following characteristics:

- ❖ they are independent of each other, that is, they are not related parties as defined under applicable accounting framework and set of reporting/ accounting standards therein, although the price in a related party transaction may be used as an input to a fair value measurement if the entity has evidence that the transaction was entered into at market term
- ❖ they are knowledgeable, having a reasonable understanding about the asset or liability and the transaction using all available information, including information that might be obtained through due care that is usual and customary
- ❖ they are able to enter into a transaction for the asset or liability; and
- ❖ they are willing to enter into a transaction for the asset or liability, i.e., they are motivated but not forced or otherwise compelled to do so."

Base & Premise for Valuation

- a. As per ICAI Valuation Standards 102, Valuation base means the indication of the type of value being used in an engagement. Different valuation bases may lead to different conclusions of value. Therefore, it is important for the valuer to identify the bases of value pertinent to the engagement. This Standard defines the following valuation bases: Fair value, Participant specific value and Liquidation value.
- b. As the Company is on going concern basis, RV has decided to choose Fair Value as base of valuation. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.
- c. Premise of Value refers to the conditions and circumstances how an asset is deployed. This valuation is performed on the premise that the Company will continue to operate as a going concern. IVS 102 defines 'going concern value' as "the value of a business enterprise that is expected to continue to operate in the future."

BACKGROUND OF THE COMPANY

Absolute Projects (India) Limited is a public limited company incorporated on 07 February 1995. It is categorized as Company limited by Shares and sub categorized as Non-Government company and is registered at Registrar of Companies, Delhi. The company's Corporate Identification Number (CIN) is U74999DL1995PLC065160, and its registration no. is 065160. The company's registered office address is 4222/1 Laxmi Kunj 1 Floor Ansari Road D Ganj, New Delhi, Delhi- 110002, India.

Company Business Review

Absolute Projects India Limited (APIL) principal business activity is manufacturing equipment towers and electrical contracts for distribution of electricity. It also executes projects on turnkey basis for erection and commissioning of substations, civil work for extension of switch yard and shifting of lines. The Company also carries out manufacturing of transmission line and cable accessories as well as tower & substation structure, earthing materials & stay sets at its manufacturing facilities.

Existing Capital Structure

- ❖ The authorized share capital of the company as on valuation date is INR 8,50,00,000/- divided into 8,50,000 equity shares of face value of INR 100/- each.
- ❖ Issued, subscribed and fully paid-up share capital of the company as on valuation date is INR 8,25,75,800/- divided into 8,25,758 equity shares of face value of INR 100/- each

Ownership Structure

The details of equity shareholders holding more than 5% stake is set out below:

NAME OF THE SHAREHOLDERS`	NO OF SHARES	% SHAREHOLDING
Ranjit Singh Ola	3,10,776	42.17%
Deependra Singh Ola	1,58,920	21.53%
Focus Infrabuild Pvt Ltd	71,149	11.95%
Monika Bhukar Ola	81,000	11.00%
Sunita Ola	50,090	6.20%

Management Structure

The Management structure of Absolute Private (India) Limited as at the report date is set out below:

NAME OF DIRECTORS	DIN	DATE OF APPOINTMENT
Monika Bhukar	08205032	26.12.2024
Ranjeet Singh Ola	00190018	07.02.1995
Deependra Singh Ola	00190303	10.09.2011
Madhav Singh	09489194	23.01.2025
Madan Singh Kala	02558372	14.11.2024
Birbal Singh Mahala	10125030	14.11.2024

A summary of management approved financials for the period ended 31 March 2025 is given below

Rs. in Crs	
Balance Sheet Liabilities	FY2024-25
Share Capital	8.26
Reserves & Surplus	99.67
Total Net Worth	107.93
Long Term Debt	84.94
Total Debt	84.94
Long term Provisions	0.22
Other Non-current Liabilities	0.43
Total Non-current Liabilities	0.66
Creditors	70.80
Other Current Liabilities	26.90
Total Current Liabilities	97.70
Grand Total (Equity + Liabilities)	291.22
Balance Sheet Assets	FY2024-25
Net Block	17.22
Investment	0.004
Total other Non-current Assets	0.00
Cash:	
- Cash & Bank Balance	36.49
Total Cash & Cash Equivalents	36.49
Debtors	139.26
Inventory	66.24
Loan & Advances	17.60
Other Current Assets	14.41
Total Current Assets	237.51
Grand Total (Assets)	291.22

A summary of management approved Income Statement for the period ended 31 March 2025 is given below:

Rs. in Crs	
Profit & Loss Account	FY2024-25
Net Sales + Other operating income	315.47
EBITDA	39.02
EBITDA%	12.37%
Depreciation	0.67
EBIT	38.36
Interest	6.10
Interest & Other investment Income	
PBT	32.26
Income Tax	7.10
PAT	25.16

APPOINTMENT & IDENTITY OF VALUER

Appointing Authority

As per Section 247 of The Companies Act, 2013, the Board of Directors of APIL appointed Neha Bhandari (Registered Valuer) for valuation of Equity Shares as per section 42 and 62(1)(c) of the companies act 2013.

Appointment date, Valuation date and Report date

The Board of Directors appointed Neha Bhandari, IBBI Registered Valuer- SFA on 01 June 2025. The analysis of the fair value of the equity shares of the Company has been carried out on the valuation date i.e., 31 March 2025. The valuation report is issued on 10 June 2025 .

Identity of the Valuer

Neha Bhandari is a Registered Valuer as required under The Companies (Registered Valuers & Valuation) Rules, 2017. Neha Bhandari is registered with Insolvency & Bankruptcy Board of India vide registration number IBBI/RV/16/2021/14449. RV's primary membership is registered with Assessors and Registered Valuers Foundation (AaRVF) vide registration number AaRVF/M/SorFA/188. RV's Permanent Account Number (PAN) is AMWPB2180N . RV is a practicing Chartered Accountant having ICAI membership number 407560.

Intended Users of the Report

This Valuation Report is confidential and has been prepared exclusively for Board of Directors of APIL and its shareholders. 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 we do not express any opinion on the suitability or otherwise of entering into the proposed transaction.

SOURCES OF INFORMATION

Our expression of the opinion on the fair value of the Company is supported by all procedures that we deem to be relevant. We have obtained sufficient information in accordance with IVS 201- 'Scope of Work, Analyses and Evaluation', and relied on the data, facts, information, documents, and explanations as authenticated, and provided to us by the Management. The scope of this valuation included a review of the Company's historical financial statements, other financial and non-financial data.

We 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 APIL . Our opinion was based on the information listed below:

A. Company specific information:

- ❖ Brief background about business of the Company
- ❖ Incorporation documents, Memorandum of Association and Articles of Association
- ❖ Management Approved Financial Statements for the period ended 31 March 2025
- ❖ Audited Financial Statement for the period ended 31 March 2024.
- ❖ Financial projections of the company for 5 years from 01 April 2025 to 31 March 2030 prepared and certified by the management of the company
- ❖ Shareholding pattern of the company as on valuation date
- ❖ Fair value of investment as on valuation date
- ❖ Estimated capital expenditure during the Projected Period.
- ❖ Written Representations made by the Management of the company
- ❖ Discussions and correspondence with the Management in connection with business operations, past industry and company trends, proposed future business plans and prospects both for company & industry, realizability of assets, business drivers & risks etc.

B. Industry and Economic information:

- ❖ Information available in public domain and databases such as MCA, Capitaline, National Stock Exchange, Bombay Stock Exchange etc. Such other information and documents as provided by the Management.
- ❖ We have also considered/ obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the Client or other public available sources. Supporting data, copies of source documents and other pertinent information supporting our opinion of value are maintained in our files.

PROCEDURES ADOPTED IN VALUATION

1. Process Flow : Receipt of proposal for valuation includes

- ❖ Discussion with the management and acceptance of the proposal
- ❖ Receipt of intimation about appointment and acceptance of proposal
- ❖ Execution of valuation engagement letter and providing the checklist for required information, documents, and records
- ❖ Receipt of information, documents as per the checklist
- ❖ Cross verification of data with concerned officials of the company for clarifications/explanations
- ❖ Determining valuation approaches, techniques, and methods in compliance with applicable standards
- ❖ Valuation synthesis & revisiting the assumptions and decision made
- ❖ Report preparation and its validation.

2. Limitation of Verification

- ❖ Our valuation report and analysis are subject to the assumptions and limiting conditions as mentioned in **Annexure B** of the report.
- ❖ The relevant information for the purpose of this valuation has been provided by the Management. We do not make any presentations or warranty, express or implied, regarding the achievability/accuracy of the forecasts and accuracy/completeness of such other information as provided by the Management.
- ❖ As part of our evaluation process, we have evaluated the reasonableness of the projections prepared by the Management and had detailed round of discussions with the management to understand the basis and assumptions for the preparation of the projections.
- ❖ The future projections have been benchmarked with the historical performance of the Company and current industry dynamics.
- ❖ The relevant information and support documents provided by the Management in relation to the projections have not been independently verified by us with any third party or any other sources and are believed to be true and reliable. The information contained herein is based on the analysis of information known or knowable as of the valuation date.
- ❖ Unless stated otherwise, industry and market data used in this report have 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 this report has not been independently verified.
- ❖ In no event shall we be liable for any loss, damage, cost or expense arising in any way from fraudulent acts, misrepresentations or willful default on the part of the Company, their management, employees or agents. In no circumstances shall the liability of registered valuer relating to services provide in connection with the engagement set out in this report exceed the amount paid to us in respect of the fees charged for those services.

VALUATION APPROACHES

In order to value the Company, we considered three approaches to valuation, as provided under the 'IVS 103-Valuation Approaches and Methods: the market approach, the income approach and the asset approach.

We have reviewed and analyzed several methods and their results to determine which methods would generate the most reasonable opinion of value of the Company's operations as on the Valuation Date. After careful consideration of each method's underlying assumptions and variables that were utilized, we concluded that the Income Approach, assessing with the DCF method which would provide the most appropriate indication of the fair value of the Company. A description of these methods and the methods considered but not used are included within this report.

Both internal and external factors, which influence the value of the Company have been reviewed, analyzed, and interpreted. Internal factors included financial position and results of operations of the Company. External factors included, among other things, the status of the economy and the position of the Company relative to the industry.

Income Approach

The income approach provides an estimate of the present value of the monetary benefits expected to flow to the owners of the business. It requires the projection of the cash flows that the business is expected to generate. These cash flows are then converted to their present value by means of discounting, using a rate of return that accounts for the time value of money and the appropriate degree of risk in the investment. The value of the business is the sum of the discounted cash flows as on the valuation date.

Market Approach

The market approach considers actual arm's-length transactions for which the market value of investments alternative to the subject company can be observed. The value of a company or an ownership interest in the company can be estimated by developing relevant multiples for the comparative companies that relate value to underlying revenue, earnings, or cash flow variable, and then applying these multiples to the comparable underlying revenue, earnings, or cash flow variable for the subject company. The value multiples can be derived from guideline public company and guideline transactions of the publicly traded company or private companies.

Cost (Asset-Based) Approach

The value under cost approach is determined based on the underlying value of assets which could be on book value basis , replacement cost basis or on the basis of realizable value. Under NAV method, the total value of the business is based either on net asset value or realizable value or replacement cost basis. NAV methodology is most applicable for the business where the value lies in the underlying assets. The net asset value method is an asset-based approach to valuation where the value of the business is based on the difference between the fair value of the assets and liabilities of the business.

VALUATION METHODOLOGIES

The valuation methodology to be adopted varies from case to case depending upon different factors affecting valuation. Different methodologies are adopted for the valuation of manufacturing, investment, consultancy and trading companies.

Though there are no thumb rules for valuation, the method to be adopted has to be appropriate to the particular purpose for which valuation is being done as well as the attendant circumstances of each case. For example, a manufacturing company is generally valued on the combination of asset value and the earning potential of the business. An investment company is valued based on the fair market value of underlying assets.

However, the value is specific to the point in time and may change with the passage of time. The value is derived in the context of an existing environment that includes economic conditions, state of industry/market and state of business activities of companies being valued etc. as on the date of valuation. The basis of valuation would depend upon the purpose of valuation, the type of business, the prospects and other attendant circumstances.

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:

- ❖ Value based on Market multiples of Comparable listed companies (CCM)
- ❖ Value based on the Discounted cash flow (DCF) method
- ❖ Net Asset value or Breakup value based on the value of the assets and liabilities (NAV)

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 benchmark 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.

This method involves reviewing valuation multiples for companies that are in the same or similar line of business as the company being valued and then applying the relevant valuation multiples to the subject company to determine its value. The theory behind this approach is that valuation measures of similar companies, as manifested through stock market valuations of listed comparable companies, should represent a good proxy for the specific company being valued. Depending on the source of data available and the underlying company being valued, a variety of valuation measures might be used including Enterprise Value (EV) to Sales, EV to EBITDA, Price to Earnings, etc.

Income Approach - DCF Method

The DCF method values the asset by discounting the cash flows expected to be generated by asset over its life using an appropriate discount rate to arrive at the present value and the perpetuity value (or terminal value) in case of assets with an indefinite life. The DCF method is one of the most common methods for valuing various assets such as shares, businesses, real estate projects, debt instruments, etc. The important inputs for the DCF method are Cash flows, Discount rate and Terminal value.

1. Cash flows: The following are the cash flows which are used for the projections:

- (a) Free Cash Flows to Firm (FCFF): FCFF refers to cash flows that are available to all the providers of capital, i.e., equity & preference shareholders and lenders. Therefore, cash flows required to service lenders and preference shareholders such as interest, dividend, repayment of principal amount and even additional fund-raising are not considered in the calculation of FCFF.
- (b) Free Cash Flows to Equity (FCFE): FCFE refers to cash flows available to equity shareholders and therefore, cash flows after interest, dividend to preference shareholders, principal repayment and additional funds raised from lenders/preference shareholders are considered.

2. Discount Rate

Discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the asset being valued as well as the risk inherent in achieving the future cash flows. In discounting,

- ❖ FCFF : the appropriate discount rate is the weighted average cost of capital, which results in the enterprise value of the Company.
- ❖ FCFE : the appropriate discount rate is the cost of equity, which results in the equity value of the Company.

3. Terminal value

It represents the present value at the end of explicit forecast period of all subsequent cash flows to the end of the life of the asset or into perpetuity if the asset has an indefinite life. The different methods for estimating the terminal value are

- a. Gordon (Constant) Growth Model
- b. Variable Growth Model
- c. Exit Multiple

Asset Approach - Net Asset Value Method (NAV)

The net asset value method is an asset-based approach to valuation where the value of the business is based on the difference between the fair value of the assets and liabilities of the business. This method is a sound method for estimating the value of a non-operating business, such as real estate company, or a business that is continuing to generate losses, or which is expected to be liquidated. Net Asset Value Method is also considered appropriate, where the future cash flows / commercial operations of the valued company cannot be reasonably ascertained.

VALUATION ANALYSIS

Valuation of the Company via the Discounted Cash Flow Method ('DCF')

The above three approaches are the internationally accepted valuation approaches and used globally for valuations. After considering all the approaches, we have decided to use DCF method for the purposes of valuation of shares, considering it to be the most rationale method.

The Discounted Cash Flow method is an income-based approach that is based on the concept that the estimated value of a business is the present value of its discretely projected future cash flows, plus the present value of the company's terminal value. This method is suitable in situations where future cash flows are expected to change from year-to-year, and where such year-to-year changes are reasonably predictable. This is an appropriate method to value the Company due to the projected growth in the future years.

We have been provided with the projected financial statement of the company for 5 years from 01 April 2025 to 31 March 2030 by the management, which we have considered for our analysis. They include projected income statement and projected balance sheet. Accordingly, the projected Free cash flow to Equity ("FCFE") based on these financial statements is as set out in Annexure A.

Determination of Discounting Factor

An important element of valuation using DCF is the selection of discount rate that reflects the expected rate of return (adjusted for risks associated with the investment) to prospective investors in similar investment opportunities. The Cost of Equity which reflects the opportunity cost to providers of capital, is used as the best indicator of the relevant discount rate.

Determination of Cost of Equity

For the estimation of the cost of equity, the Capital Asset Pricing Model ("CAPM") is applied. According to the CAPM, cost of equity consists of a risk-free interest rate and risk premium. The risk premium is calculated by multiplying the market risk premium by the beta-factor, an entity specific measure of the systematic risk of an equity investment in an entity.

$$\text{Cost of Equity} = R_f + (R_m - R_f) \times \beta + \text{CSRP}$$

R_f : Risk free rate of return

R_m : Return on diversified market portfolio

$R_m - R_f$: Market risk premium

β : Systematic risk factor associated with the industry i.e., Beta.

CSRP : Company Specific Risk Premium

Determination of Risk-Free Rate and Market Risk Premium

Rf has been taken at 6.58% being yield to maturity ('YTM') on long-term risk-free central government securities based on yield of 10-Year Indian Government Bond as on date of valuation. Basis the above, $R_m - R_f$ (Market risk premium) of 6.45% has been calculated for the company.

Equity risk premium

This premium is estimated based on consideration of realized returns over a risk-free rate as represented by 10-year government bonds and equity risk premium estimates. We have considered the CAGR of Sensex from 31 March 2005 till 31 March 2025 to calculate market return which works out to be 13.03% and accordingly the equity risk premium has been arrived at 6.45%

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's business is into manufacturing of electrical equipment, so we have considered beta of sector, which are comparable to the Company in terms of nature of services, products & business model. Accordingly, having regard to the comparable companies' data available as per Prof Ashwath Damodaran website and generally accepted valuation principles, we have considered the Beta of 0.97 for APIL

Company Specific Risk Premium (CSRP)

The CSRP is the risk premium associated with the level of unsystematic risk inherent in a particular private company. It is a subjective adjustment made by the valuation analyst based on the knowledge and understanding gathered about the company during the valuation process. Ke has been considered after adding company specific risk premium of 4%. The additional risk premium added to the cost of equity on account of following:

- Uncertainty in achieving expected levels of growth
- Ability to penetrate into an existing market with dominant players
- Competitive business environment
- Operational and business specific risk factors
- Macro economic uncertainty
- Technological change
- Obsolescence Risk

Accordingly, Cost of Equity has been computed as follows

PARTICULARS	ABBREVIATION	DATA	SOURCES/REMARKS
Sensex Return	RM	13.03%	Based on Sensex History
Riskfree Rate	RF	6.58%	Based on 10 Yr Indian Government Bond Yield
Risk Premium	RM-RF	6.45%	Sensex return minus risk free rate
Beta	B	0.97	Based on comparable company data as per Prof Ashwath Damodaran website
Cost of equity	Ke	12.84%	Risk free rate + (beta * (market return - risk free rate))
Company Specific Risk Premium	CSRP	4.00%	Based on operational and business specific risk factors and macro economic uncertainty
ADJUSTED COST OF EQUITY	KE	16.84%	

Based on the above parameters, the cost of equity has been calculated at 16.84%. Ke as determined above is taken into account to determine the free cash flows arising to the company from the explicit forecast period.

Terminal Value

The terminal value refers to the present value of the business as a going concern beyond the period of projections up to infinity. This value is estimated by taking into account expected growth rates of the business in future, sustainable capital investment required for the business as well as the estimated growth rate of the industry and economy.

- For the terminal period we have assumed a terminal growth rate of 3% for the company beyond the projection period after considering company performance, operating outlook, industry wide scenario and overall economy outlook and discussions with the management of the company.
- EBITDA margins for last year of the explicit forecast period (FY 2030) is assumed to be sustainable over perpetuity and accordingly the same operating performance adjusted with terminal period growth rate has been considered for the terminal period.
- Tax rate for the terminal period is assumed at marginal tax rate of 25.17% as per management representation.

Illiquidity Discount

Illiquid refers to the state of a stock, bond, or other assets that cannot easily and readily be sold or exchanged for cash without a substantial loss in value. Illiquid assets may be hard to sell quickly because there is low trading activity or being unquoted/unlisted, indicated by a lack of ready and willing investors or speculators to purchase or sell the asset. As a result, illiquid assets tend to have lower value than liquid assets. After the explicit value is determined, we have considered illiquidity discount of 10% on a reasonable basis that unlisted share price has to be discounted as compared to listed shares.

DILUTED NUMBER OF SHARES

As per the existing share capital structure prior to the sub-division, the issued, subscribed and fully paid-up equity shares of the Company were 8,25,758 with a face value of ₹100 each.

Pursuant to the Board resolution dated 2nd May 2025, each equity share of face value ₹100 has been sub-divided into 10 equity shares of face value ₹10 each. Accordingly, the post sub-division issued number of equity shares has increased to 82,57,580. In order to arrive at the fair value of equity as on 31 March 2025 after factoring in the effect of split, the diluted number of equity shares considered is 82,57,580.

“RESOLVED THAT pursuant to the provisions of Section 64 and Sections 61(1)(d) and other applicable provisions of the Companies Act, 2013 (“Act”) (if any), read with Relevant Rules made thereunder, applicable provisions (Including any statutory modifications or re-enactments thereof, for the time being in force), in accordance with the Articles of Association of the Company and subject to receipt of such other approvals, consents and permissions as may be required from concerned statutory authorities and subject to such other conditions and modifications as may be prescribed or imposed while granting such approvals, subject to the approval of Members of the company in General Meeting, approval of the Board of Directors of the Company be and is hereby accorded for subdivision of face value of the existing equity shares of the Company, such that 1 (One) Equity Share having face value of Rs.100/- (Rupees Hundred Only) each fully paid up, be sub-divided / split into 10 Equity Shares having face value of Rs.10/- (Rupees Ten Only) each fully paid up, raking pari-passu with each other in all respects with effect from the Record Date.

RESOLVED FURTHER THAT the approval of the Board be and is hereby accorded to fix the Record Date as Friday, 2nd May, 2025 for the purpose of determining the eligibility of the Shareholders for the entitlement of Shares after sub-division.

Type of Capital	Pre-sub-division / split			Post sub-division / split		
	No. of Equity Shares	Face Value (Rs.)	Total Equity Share Capital (Rs.)	No. of Equity Shares	Face Value (Rs.)	Total Equity Share Capital (Rs.)
Issued, Subscribe and Paid-up Equity Share Capital	8,25,758	100/-	Rs.8,25,75,800/-	8,25,75,80	10/-	Rs.8,25,75,800/-

The details of equity shareholders holding more than 5% stake post the split of face value is set out below:

Shareholder Name	No. of Shares	%
RANJEET SINGH OLA	3275100	39.66%
DEEPENDRA SINGH OLA	2155350	26.10%
MONIKA BHUKAR OLA	810000	9.81%
SUNITA OLA	500900	6.07%
KAMLA DEVI OLA	419650	5.08%

CONCLUSION

Based on our study and analytical review procedures, and subject to the limitations expressed within this report, the fair value of equity share of APIL, as per DCF method, has been determined at **INR 350/-** per equity share.

Please refer Annexure A for detailed calculations.

The Board of Directors of APIL may consider issuing Equity Share of face value of **INR 10/-** at a premium of **INR 340/-** per Equity Share as it is considered fair value of Equity Share in accordance with this valuation report.

This report has been issued on specific request of the Company and should be used only for regulatory compliance purpose only. The values so arrived at are subject to the matters enumerated in 'Scope of Work, Caveats, Limitations and Disclaimers and information provided to us and should be viewed in the light thereof.

Neha Bhandari

Neha Bhandari

IBBI Registered Valuer -SFA

IBBI Reg. No.: IBBI/RV/16/2021/14449

UDIN: 25407560BMHVQE5565

Date: 10 June 2025

Place: Jaipur



ANNEXURE A – DCF WORKINGS

Discounted Cash Flow of APIL is as follows:

	(In Crores)					
PARTICULARS	2025-26	2026-27	2027-28	2028-29	2029-30	TERMINAL VALUE
Revenue from operations	394.33	473.20	544.18	598.60	628.53	647.38
Total Revenue	394.33	473.20	544.18	598.60	628.53	647.38
Expenses	338.24	397.80	448.80	485.29	503.61	518.72
Finance Cost	5.73	5.16	4.64	4.18	3.76	3.39
Depreciation and Amortisation	0.94	0.99	1.06	1.16	1.28	1.15
Total Expenses	344.90	403.95	454.51	490.63	508.65	523.25
Profit Before Tax	49.43	69.25	89.67	107.96	119.88	124.13
Tax	12.44	17.43	22.57	27.17	30.17	31.24
Profit after Tax	36.99	51.82	67.10	80.79	89.71	92.89
Depreciation	0.94	0.99	1.06	1.16	1.28	1.15
Working Capital	-22.74	-30.92	-34.68	-36.57	-43.04	-24.75
Net Debt funding	-8.49	-7.64	-6.88	-6.19	-5.57	-5.02
Capex	-1.50	-2.00	-2.50	-3.00	-3.50	-1.15
Free Cash flow to Equity (FCFE)	5.19	12.24	24.10	36.19	38.87	63.13
Period for discounting (Years)	1.00	1.00	1.00	1.00	1.00	
Mid year discounting	0.50	1.50	2.50	3.50	4.50	
Discounting factor	0.93	0.79	0.68	0.58	0.50	0.46
Cost of capital	16.84%	16.84%	16.84%	16.84%	16.84%	16.84%
Net Present value	4.80	9.69	16.33	20.99	19.30	
Terminal Growth rate	3%					
Cost of capital for terminal period	16.84%					
Terminal Value						456.22
Present value of explicit period						71.12
Present value of terminal value						209.55
NET PRESENT VALUE AS PER DCF						280.67

ANNEXURE A – DCF WORKINGS

Fair valuation of the equity share of APIL is as follows:

As on 31/03/2025

PARTICULARS	AMOUNT in CRORE
NPV of Discounted Free Cash Flows	280.67
Less: Illquidity Discount -10%	28.07
Present value of cash flows	252.60
Add: Cash and bank balance	36.49
Add Investments	0.036
Total value for Equity Shareholders	289.13
Number of Shares	82,57,580
Price per Share (in INR.)	350.14
Price per Share rounded off to INR	350

Note : The company holds investment in Bank of Baroda of 1567 shares. We have considered the fair value of the investment based on the closing price as on 31 March 2025.

ANNEXURE B- CAVEATS, LIMITATIONS AND DISCLAIMERS

This report is subject to the following assumptions and limiting conditions:

❖ Restrictions on use of Valuation Report

- a) This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose.
- b) Our client is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter.
- c) This restriction does not preclude the client from providing a copy of the report to existing/proposed shareholders and third party advisors whose review would be consistent with the intended use.
- d) I do not take any responsibility for the unauthorized use of this report.

❖ Responsibility of RV

- a) I owe responsibility only to the authority that has appointed me under the terms of the engagement letter.
- b) I will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions or advice given by any other person.
- c) In no event I shall be liable for any loss, damage, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or wilful default on part of the client or companies, their Registered Valuer- SFAs, employees or agents.

❖ Accuracy of Information

- a) While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the clients existing business records.
- b) Accordingly, I express no audit opinion or any other form of assurance on this information.

❖ No Responsibility to the Actual Price of the subject asset if sold or transferred/ exchanged

- a) The actual market price achieved may be higher or lower than our estimate of value or range of value depending upon the circumstances of the transaction (eg: the competitive bidding environment), the nature of the business (eg : the purchaser's perception of potential synergies).
- b) The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved.
- c) Accordingly, our valuation conclusion will not necessarily be the price at which actual transaction will take place.

❖ **Achievability of the forecast results**

- a) I do not provide assurance on the achievability of the results forecast by the management / owners as events and circumstances don't occur as expected, difference between actual and expected results may be material.
- b) I express no opinion as to how closely the actual results will correspond to those projected / forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management.

❖ **Post Valuation Date Events**

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

❖ **Range of Value Estimate**

- a) The valuation of companies and assets is made based on the available facts and circumstances and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement .
- b) Although every scientific method has been employed in systematically arriving at the value , there is no indisputable single value and the estimate of the value is normally expressed as falling within a likely range.

❖ **No procedure performed to corroborate information taken from reliable external sources**

- a) We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable .
- b) We assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis.
- c) Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

❖ **Compliance with relevant laws**

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

❖ **Reliance on the representation of the owners/ clients , their management and other third parties**

- a) The client/ owner and its management/ representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge.
- b) We have relied upon the representations of the owners/ clients, their management and other third parties concerning the financial data , operational data, and maintenance schedule of all plant –machinery –equipment –tools- vehicles, real estate investments and any other investments in tangible assets except as specifically stated to the contrary in the report.
- c) I shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the companies, their Registered Valuer- SFAs, employee or agents
- d) I express no opinion as to how closely the actual results will correspond to those projected / forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management.

❖ **Multiple factors affecting the Valuation Report**

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

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

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