



To,
The Board of Directors,
Kevadiya Construction Limited
B-114 & 115, The Landmark, Pandit Dindayal Upadhyay Marg,
Kudasan, Gandhinagar, Gujarat 382421

Dear Sir,

Sub: Valuation report on fair value of Equity Shares of Kevadiya Construction Limited as on August 31, 2025.

This has reference to the various discussions that we had and the information that we have received from the management and key executives of Kevadiya Construction Limited, (hereinafter referred to as “the Company” or “KCL”) from time to time in connection with the valuation analysis of Equity Shares of the Company.

SCOPE AND PURPOSE OF THIS REPORT

Kevadiya Construction Limited (CIN-U45203GJ2013PLC074785) was incorporated on April 30, 2013 in accordance with the provisions of the Companies Act, 2013, and has its registered office situated at B-114 & 115, The Landmark, Pandit Dindayal Upadhyay Marg, Kudasan, Gandhinagar, Gujarat 382421.

The Company is in the process of issuance of Equity shares thus the Company proposes to arrive at the valuation of each share as at August 31, 2025.

The Company has requested Finshore Management Services Limited (“FMSL”) to carry out valuation analysis of the Equity shares to be issued by the Company on a going concern basis as at August 31, 2025 (the “Valuation Date”).

The valuation of Equity shares is done on the basis of Discounted Free Cash Flow method as per internationally accepted valuation methodology on arm’s length.

It should also be understood that the values at which investments are made / price paid in a transaction may differ from the values computed in this report due to factors such as the objective of the parties, negotiation skills of the parties, the structure of the transaction (i.e., financial structure, transition of control, etc.) or other factors unique to the transaction.

This report and the information contained herein are confidential. It is intended for sole use and for information of the board of directors. We understand that KCL is required to submit this report to tax authorities. We hereby consent to such disclosure of this report, on the basis that we owe responsibility to only KCL that has engaged us and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to the shareholders of the Company or any other party, in connection with this report.



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FINSHORE MANAGEMENT SERVICES LIMITED

(CIN : U74900WB2011PLC169377) ● Website : www.finshoregroup.com

Regd. Office : “Anandlok” 2nd Floor, Block-A, Room No. 207, 227, A. J. C. Bose Road, Kolkata-700 020 West Bengal, India Ph. : 033 2289 5101

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The results of our valuation and our report will not be permitted to be used or relied by the Company for any other purpose or any other party for any purpose whatsoever. We are not responsible to any other person / party for any decision of such person / party based on our report. It is hereby notified that reproduction, copying, or otherwise quoting of our report or any part thereof, except for the purpose as set out earlier in this report, is not permitted.

Yours faithfully,

For Finshore Management Services Limited
(SEBI Regd. CAT-I Merchant Banker, Regn. No.: INM000012185)

Date: September 03, 2025
Place: Kolkata


S. Ramakrishna Iyengar
Director



Annexure: Valuation computation of the Company as per DCF Methodology along with the assumptions and our caveats.

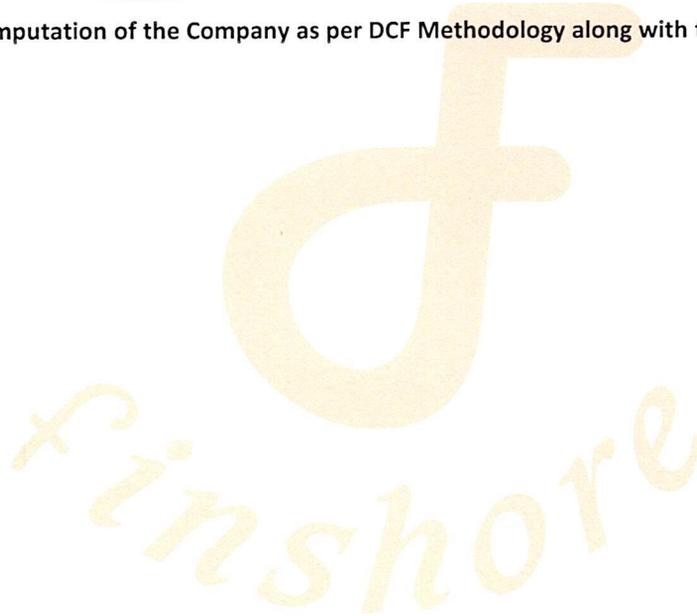




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COMPANY BACKGROUND

Name	Kevadiya Construction Limited
CIN	U45203GJ2013PLC074785
Date of Incorporation	30/04/2013
Registered Address	B-114 & 115, The Landmark, Pandit Dindayal Upadhyay Marg, Kudasan, Gandhinagar, Gujarat 382421.
Listing status	Unlisted
Directors	Naresh Premjibhai Kevadiya, Kishorbhai Premjibhai Kevadiya, Kevadiya Jay, Mamta Bhagwandas Thawrani Kamal Dave Mangal Morwal

(Source: www.mca.gov.in)

Kevadiya Construction Limited aims to play a pivotal role in developing infrastructural marvels and delivering Government projects in India. The Company continue to strive and build stronger relations with emerging contractors so as to grow and keep getting better. Kevadiya Construction deals in water supply, Storm Water, Solar Projects, Lake Development, and many more.

Shareholding as on August 31, 2025

Particulars	Amount in INR
a) Authorized Share Capital	
50,00,000 Equity Shares of ₹ 10 each	5,00,00,000
2,50,000 CCPS of ₹ 10 each	25,00,000
Total	5,25,00,000
b) Issued, Subscribed and Paid up	
14,13,345 Equity Shares of ₹ 10 each	1,41,33,450
1,57,862 CCPS of ₹ 10 each	15,78,620
Total	1,57,12,070

Note - The CCPS have been issued by the Company at price of INR 7,600.00 each, and is subject to conversion terms at a price to be determined at future date as per the terms set out in the share subscription agreement as represented by the management. We have therefore not considered CCPS as part of the fully diluted number of shares, for the purposes of this valuation report.

(Source: Company)



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PURPOSE OF VALUATION

We have been told that Company is in the process of issuance of Shares; thus, the Company proposes to arrive at the valuation of each share as at August 31, 2025. We further understand that this fair valuation certificate shall be used for statutory disclosure as under:

- Section 56(2)(viib) and Section 56(2)(x) of the Income Tax Act, 1961 read with Rule 11UA(2)(A)(b) and Rule 11UA(2)(B) of Income Tax Rules, 1962.

The Company has requested Finshore Management Services Limited to carry out valuation analysis of the unquoted shares of the Company on a going concern basis as at August 31, 2025 (the "Valuation Date").

SOURCES OF INFORMATION

We were provided with the following information by the management of Kevadiya Construction Limited for the purpose of our valuation analysis:

The principal sources of information used in undertaking our assessment include:

- Provisional financial statements of the Company for the period ended August 31, 2025 certified by the management of the company.
- Audited financial statements of the Company for the period ended March 31, 2025.
- Management certified projected financial statements of the Company from FY 2025-26 (7 Months) to FY 2029-2030.
- Cap Table of the company on a fully diluted basis.
- Discussion with the KMPs to understand the business model of the company, Revenue Model, Key expenses ingredients, historical and expected future performance and key value drivers affecting performance of the Company.
- Such other analysis, review and inquiries, as we considered necessary and Long-term business plan of the Company.
- Other relevant details relating to the Company such as list of shareholders and other data.
- Such other information and explanations as were required by us and were furnished by the management.

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VALUATION APPROACH

There are several internationally accepted and commonly used pricing methodologies for determining the fair value of the shares of a company, whose shares are not listed on a stock exchange such as:

1. Net Asset value ("NAV") Methodology
2. Comparable Transaction Multiples ("CTM") Methodology.
3. Comparable Companies Multiples ("CCM") Methodology.
4. Discounted Cash Flow ("DCF") Methodology.

NAV Methodology

The asset-based valuation method is based on the value per share of the underlying net assets and liabilities of the Company, either on a book value basis or replacement cost basis. This valuation approach is used in cases where the firm is to be liquidated i.e., it does not meet the going concern" criterion or is used in case where the asset base dominates earnings capacity.

In the circumstances and keeping in mind that the present valuation of the Company is on a going concern basis, and the value of the Company is driven more by the potential to generate cash flows in the future than its underlying assets, therefore, the value arrived at under this method is of little relevance as compared to the value under the other methods discussed below.

CTM Methodology

The CTM Methodology involves applying derived transaction multiples of comparable transactions to the Company's future maintainable revenues/ profits (based on past and/ or projected working results adjusted to reflect the future earnings potential) after making adjustments to the derived multiples on account of dissimilarities with the comparable transactions and the strengths, weaknesses and other factors peculiar to the proposed transaction for which the Company is being valued.

We have performed a search for suitable comparable transactions for valuing the Shares of the Company under the CTM method. However, our research did not indicate comparable transaction in respect of which complete details of the deal structure, profitability, etc. are available in public domain.

CCM Methodology

Under this method, one attempts to measure the value of the shares/ business by applying an appropriate capitalization rate/ multiple (the EV/Revenue multiple, the EV/EBITDA multiple, etc.) - for which one may also consider the market quotations of comparable public/ listed companies possessing attributes similar to the business - to the future maintainable profits of the business (based on past and / or projected working results adjusted to reflect the future earnings potential) after making adjustments to the capitalization rate/ multiple on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the Company being valued. Consequently, identifying comparable listed companies to the Company being valued, both in business and financial terms, is highly important.



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DCF Methodology

Under this technique, either

1. The projected free cash flows from business operations available to all providers of capital are discounted at the weighted average cost of capital to such capital providers, from a market participant basis, and the sum of such discounted cash flows is the value of the business, from which value of debt and other capital is deducted, and other relevant adjustments made to arrive at the value of the equity - Free Cash Flows to Firm ("FCFF") technique;

or

2. The projected free cash flows from business operations available to shareholders (after deducting cash flows attributable to the debt and other capital providers) are discounted at the cost of equity, from a market participant basis, and the sum of such discounted free cash flows, after making other relevant adjustments, is the value of the equity - Free Cash Flows to Equity ("FCFE") technique.

Discounted Cash Flow (DCF) Method for the company as most appropriate for the valuation of the shares.

Rule 11UA of the Income Tax Rule, 1962 prescribes method of valuation for the purpose of issuing Equity shares. Discounted Cash Flow method is one of the prescribed method as per Rule 11UA(2)(A)(b) read with Section 56(2)(viib) of the Income Tax Act, 1961.

The discounted cash flow is considered appropriate as it serves as an indicator of the prospective return that the business is able to generate in the future. The discounted cash flow method is very effective because it allows values to be determined even when cash flows are fluctuating. The DCF method uses the future free cash flows of the firm / equity discounted by the cost of capital to arrive at the present value. In general, the DCF method is a strong and widely accepted valuation tool, as it concentrates on cash generation potential of a business. This method is based on future potential and is widely accepted.

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VALUATION METHODOLOGY

Basis the analysis undertaken in previous paragraph; we have used Discounted Cash Flow approach in our analysis for computing the fair value of shares of the Company.

Application of the DCF methodology for valuation of the Company entailed the following stages:

- Estimation of the net cash flows of the Company to be generated from Financial Year 2025-26 (7 Months) to Financial Year 2029-2030 based on financial projections. This estimate has been produced from financial projections provided and approved by management.
- The future free cash flows are derived considering, inter alia, the changes in the working capital, addition or repayment of Debt and any capital expenditure. They are an aggregation of free cash flows of the Company during the explicit forecast period – prepared based on the business plan – and during the post explicit forecast period, estimated using an appropriate method, and are available to Company's shareholders.
- Calculation of the discount rate of the Company based on Cost of Capital. The discount rate on the capital that the provider expects to earn on other investments of equivalent risk.
- Application of the discount rate to the Free Cash Flows attributable to Shareholders of the Company from Financial Year 2025-26 (7 Months) to Financial Year 2029-30 to arrive at the Net Present Value ("NPV") of those free cash flows.
- Estimation of the terminal value of the Company.
- Estimation of equity value calculated as the summation of terminal value and present value of free cash flows to shareholders of the Company till March 31, 2030 and adjusted by all surplus assets.

Estimate of Discount Rate

The discount rate applied to calculate current values on August 31, 2025, has been determined based on Cost of Equity (Ke).

WACC calculation

$$WACC = K_d \times (1 - T_c) \times (D / (D + E)) + K_e \times (E / (D + E))$$

Note:

K_d = Estimated pre-tax cost of debt

T_c = Company tax rate

D = Debt

E = Equity

K_e = Cost of equity





COST OF EQUITY

Cost of equity has been estimated based on the CAPM. This model calculates the cost of equity of a Company as the sum of the risk-free rate and a Company specific equity risk premium, the latter of which represents the risk of company in question as compared to the market risk premium:

Calculation of cost of equity

$$COE = R_f + \beta (R_m - R_f) + R_a$$

Note:

Rf = Risk-free rate

Rm = Expected market equity risk premium

Ra = Additional risk premium to account for higher risk

β = Measure of observed volatility compared to the market

The attached table summarizes the main assumptions used to calculate cost of equity of the Company.

COE assumptions	Values	Source
Risk free rate, Rf	6.79%	Risk Free Rate based on 10-year Government Bond Rate) *
Market Return, Rm	13.73%	Based on historic rolling returns of Sensex
Market equity risk premium over risk free rate	6.94%	Rm-Rf
Beta	1	Assumed
Additional risk premium	10.00%	To account for higher risk as the Company is in high growth phase.
Adjusted Cost of equity, Ke	23.73%	Computation

*Source: <https://www.ccilindia.com/RiskManagement/SecuritiesSegment/Pages/ZCYC.aspx>

Cost of debt

Cost of debt is the rate of interest for existing debts outstanding. Kd of the Company is arrived by reducing the Corporate Tax Rate on the Interest-bearing Borrowings of the Company. In the Current Structure the Company is company's Kd is as given below

Particulars	Interest rate
Rate of interest*	10.00%
Tax rate	25.17%
Cost of Debt (Kd)	7.48%

*As per management representation





Weighted Average Cost of Capital (WACC) As the majority of businesses run on borrowed funds, the cost of capital becomes an important parameter in assessing a firm's potential for net profitability. WACC measures a company's cost to borrow money, where the WACC formula uses both the company's debt and equity in its calculation.

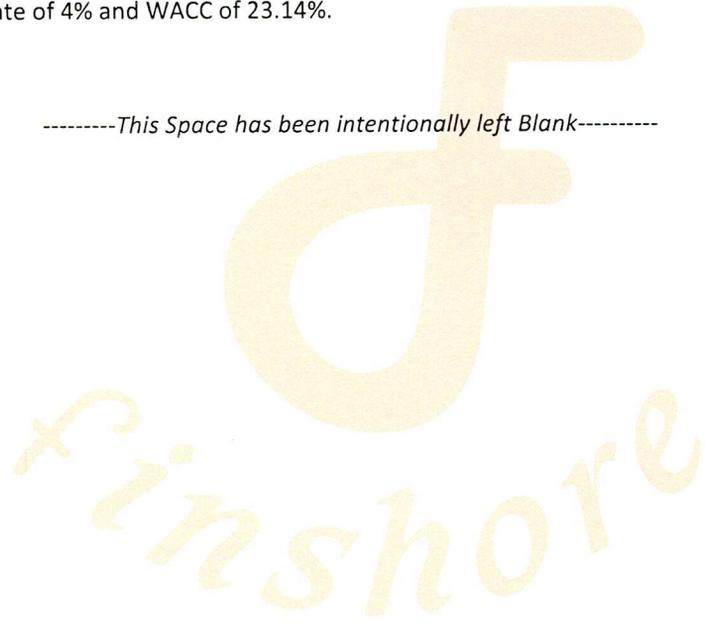
Source of finance	Cost (K)	Weight(W)#	K*W
Equity	23.73%	96.41%	22.88%
Debt (Post Tax)	7.48%	3.59%	0.27%
WACC			23.14%

Based on the average debt to equity ratio of the company.

Terminal value calculation

Terminal Value is calculated based on the Gordon Growth Model and extrapolating the adjusted free cash flows of the last year at growth rate of 4% and WACC of 23.14%.

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BUSINESS VALUATION OF KEVADIYA CONSTRUCTION LIMITED AS PER DISCOUNTED FREE CASH FLOW METHODOLOGY

Amount in INR (Crores)

FY	2026 (7 Months)	2027	2028	2029	2030	Terminal
PARTICULARS						
PAT	60.12	182.15	257.54	353.22	462.29	
Add : Depreciation	4.10	11.89	17.60	22.46	25.83	
Less :Capital Expenditure	24.35	50.00	50.00	50.00	50.00	
Add : Interest (post Tax)	12.49	13.02	14.82	15.72	16.61	
Less: NWC	(149.03)	259.96	171.21	176.88	156.64	
Free Cash Flows	201.37	(102.90)	68.75	164.52	298.10	2,336.78
Discounting Factor	0.89	0.72	0.58	0.47	0.39	0.39
Present value of Cash flow	178.35	(74.01)	40.15	78.03	114.81	899.97
Cumulative present value of Cash Flows	1,237.29					
Enterprise Value	1,237.29					
Add: Cash & Cash Equivalent as on 31-08-2025	16.51					
Add: Investments as on 31-08-2025 (Refer Note 1)	3.36					
Less : CCPS as on 31-08-2025	119.98					
Less: Debt as on 31-08-2025	63.04					
Equity Valuation	1,074.14					
No. of Shares	14,13,345					
Value Per Share (In INR)	7,600.00					

Note 1 - The company has made investments in the following: (i) Immovable Properties – INR 1.99 Crores, (ii) KCL-VRS Joint Venture (74%) - INR 0.78 Crores, (iii) YCC KCL SC Joint Venture (25%) – INR 0.0039 Crores and (iv) Mehsana Urban Co.Op Bank Ltd – INR 0.57 Crores.

We have considered the same at book value as the financials of the entities mentioned in point no. ii to iv and fair market value of the property mentioned in point no. i were not made available to us.

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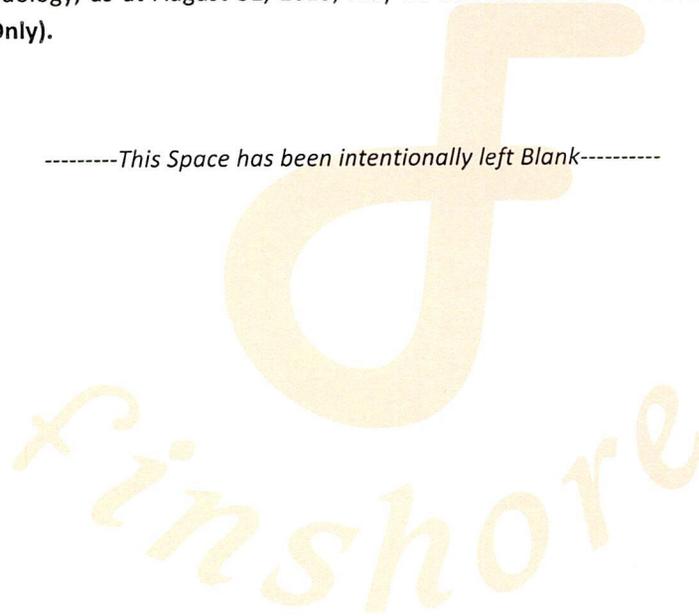


VALUATION CONCLUSION

In the light of the aforesaid, and after taking into consideration the principles of valuation as propounded by various authorities that one would have to consider in the value of the Business, the present valuation exercise would have to proceed on a going concern basis and hence has to lay emphasis on earning capacity i.e., what the Business is capable of earning in the future with asset value being of limited relevance and being relegated to the background. In this context the estimated or future maintainable profits / cash flows would have to be taken into consideration. For the reasons set out earlier in this report, we have valued the Business on the basis of discounted cash flow method as per internationally accepted valuation methodology on arm's length basis.

On a consideration of all relevant factors and issues discussed herein, in our opinion, the fair value of each equity shares using DCF Methodology, as at August 31, 2025, may be considered as **INR 7600/- (Indian Rupees Seven Thousand Six Hundred Only)**.

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Scope Limitation:

1. This Valuation Report has been issued on the specific request of the Company for the value of the shares of the Company as at August 31, 2025, per Section 56(2)(viib) and Section 56(2)(x) of the Income Tax Act, 1961 read with Rule 11UA(2)(A)(b) and Rule 11UA(2)(B) of Income Tax Rules, 1962. This Report is prepared exclusively for the above stated purpose and must not be copied, disclosed or circulated or referred to in correspondence or discussion with any other party. Neither this report nor its content may be used for any other purpose without prior written consent of Finshore Management Services Limited.
2. We have summarized the valuation analysis of the shares of the Company based on the information as was provided to us and other publicly available information. We do not assume any responsibility for the accuracy or reliability of such documents on which we have relied upon in forming our opinion.
3. This Report does not look into the business/commercial reasons behind the transaction nor the likely benefits arising out of the same. In addition, we express no opinion or recommendation, and the stakeholders are expected to exercise their own discretion.
4. We have valued the Company based on the future Projection (which has been provided by the management) & would like to state that we do not assume any responsibility for the validation of the projection.
5. According to the management and based on the audited financials for March 2025, the company has a contingent liability of INR 152.04 Crores. In the event that the company is required to settle this liability, it may have an impact on the company's valuation.
6. We have no present or planned future interest in the Company and the fee for this Valuation analysis is not contingent upon the values reported herein. The Valuation Analysis contained herein is not intended to represent the value at any time other than the date that is specifically stated in this Report.
7. Company has confirmed that Tax calculation has been done based on the relevant IT Act and Rules and also the Projections have been drawn considering the compliance with relevant accounting standards and the Companies Act 2013.
8. No investigation of the Company's claim to the title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid.
9. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us; we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Company.





10. Our engagement is limited to preparing the report to be submitted to the Company. We shall not represent in front of any person for answering any specific queries raised by them pertaining to this report and we shall not be liable to provide any evidence for any matters stated in the report nor shall we be liable or responsible to provide any explanation or written statement for any assumption, information, methodology or any other matter pertaining to the report.
11. Whilst all reasonable care has been taken to ensure that the factual statements in the report are accurate, neither ourselves, nor any of our Directors, Officers or Employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim all liabilities, which may arise based upon the information used in this report. We are not liable to any third party in relation to the issue of this report.
12. Our Valuation is based on the achievability of the Projected figures provided by the management. In case the Company is not able to achieve the Projected figures, our valuation results will be substantially affected.
13. We have given opportunity to the management of the Company to review our report and they have given their consent that the facts mentioned in the report are true and correct.
14. Our 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.

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