SUMAN KUMAR VERMA
(B.com (Hons) , FCMA , Insolvency Professional , Registered Valuer)
Regd No. of IP- IBBI/IPA-003/IPA-N00342/ 2021-2022/13657
Regd No. of RV- IBBI/RV/05/2019/12376

27th August 2024

To,
The Board of Directors
Kilburn Engineering Limited
4, Mangoe Lane Kolkata 700001

Sub : Valuation of Equity Shares of Monga Strayfield Private Limited as on 31st July 2024

Ref : Engagement Letter dated 20th August 2024

Dear Sirs,

With reference to the mentioned engagement letter, I understand that your Company i.e. Kilburn Engineering Ltd. is engaged in advance dialogue / discussion / negotiation with the management of Monga Strayfield Private Limited to contemplate proposal relating to business alignment / transfer / acquisition of the latter company. Accordingly, your Company i.e. Kilburn Engineering Ltd. is looking forward to determining the value of the equity shares of Monga Strayfield Private Limited for their internal evaluation and decision-making.

In the background of the above, I am given to understand that the management of Monga Strayfield Private Limited have extended their consent to such valuation engagement and have also provided all necessary information and document, through your Company, which are required for the purpose of the instant valuation. I have carried out the valuation exercise of the equity shares of Monga Strayfield Private Limited, based on the management representation of Monga Strayfield Private Limited received under cover of your management representation dated 27.08.2024.

As per the terms of the above engagement letter, the valuation report needs to display the fair value of equity shares under 3 (three) different valuation approaches being Market Approach, Income Approach and Cost Approach by using the most appropriate valuation methods. However, the recommended value shall be based on the most appropriate valuation approach and method, to be independently determined by the instant Registered Valuer, in accordance with the guidelines of the International Valuation Standards and ICAI Valuation Standards.

In view of the scope of work, the Registered Valuer have recommended the fair value of the equity shares of the Company, in terms of the mentioned valuation approached and methods, which appears to be the best possible and appropriate method of valuation and have made adequate disclosure of the same in instant report with proper reasoning.

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New Delhi
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Registered Valuer-SFA

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For this purpose, the undersigned has been engaged to recommended value of the Equity Shares of INR 10/- each as on 31.07.2024 (hereinafter referred to as "**Valuation Date**"). The valuation report, expressing the recommended fair value of the financial instruments, is based on the events and circumstances prevailing as on the 'Valuation Date.'

My analysis and recommendation should be understood in the context of my assumptions and the statements made in the annexed report, read along with the applicable legal provisions. A detailed description of the quantitative and qualitative analyses and valuation conclusion is presented in the attached narrative valuation report.

The valuation report is intended solely for the internal reference and use of the management. Based on the assumptions and limiting conditions as described in the report and most importantly considering the purpose of the valuation, I conclude that –

Fair Value of 1 equity shares of face value Rs. 10 each/- of Monga Strayfield Private Limited as on 31.07.2024 (Controlling Stake on -Non Marketable Basis)	**INR 294.04**
Value of 100% stake of Monga Strayfield Private Limited based on outstanding no. equity of shares as on 31.07.2024	**INR 122,74.00 Lakhs**

A detailed valuation report is appended herewith.

Thanking you

Yours faithfully,

Suman Kumar Verma
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New Delhi
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Registered Valuer-SFA

SUMAN KUMAR VERMA
(Registered Valuer – Securities or Financial Assets)
Regn. No. IBBI/RV/05/2019/12376
UDIN: 24284533ZZWFQ4FTUHO
(copy attached)

Enclosed, as above

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Detailed Valuation Report

On

Fair Value of Equity Share as on 31.07.2024

Of

Monga Strayfield Private Limited

Prepared by:
SUMAN KUMAR VERMA
(Registered Valuer – Securities or Financial Assets)
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1. SUMMARY REPORT

i)	Corporate Identity	:	**Monga Strayfield Pvt. Ltd (MSPL)** is a private limited company registered incorporated on 09.05.1968 with the RoC Pune bearing CIN U22106PN1968PTC133908 and having registered office at - C(4) RS 22, MIDC BHOSARI NEAR MIDC POST OFFICE, PUNE, Maharashtra, India, 411026 hereinafter referred to as the 'Company' or the **'MSPL'**.
ii)	Business Activity		Monga Strayfield Private Limited is an Engineering Company and is a leading player in the business of manufacturing radio frequency dryers and heating solutions
iii)	Valuation Date		31st July 2024
iv)	Conclusion		Fair Value of 1 equity shares of face value Rs. 10 each/- of Monga Strayfield Private Limited as on 31.07.2024 (Controlling Stake on -Non Marketable Basis) - **INR 294.04**
			Value of 100% stake of Monga Strayfield Private Limited based on outstanding no. equity of shares as on 31.07.2024 - **INR 122,74.00 Lakhs**

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2. Background Information

2.1 Corporate Information

Monga Strayfield Private Limited is an Engineering Company and is a leading player in the business of manufacturing radio frequency dryers and heating solutions Monga Strayfield was incorporated in 1968 under the provisions of Companies Act, 1956, having its registered office in Pune.

The Company has incorporated a subsidiary in United Kingdom in the year 2006. Presently, the Company has a Joint Venture with a Canada based Company, which is yet to commence operations.

Monga Strayfield's previous years' total revenues are as follows:

Financial Year	**(INR in Crores)**
2023-24	72.90
2022-23	58.21
2021-22	52.52

2.2 Board of Directors

Based on the management information and collated with the information retrieved from the MCA web-portal, the Directors of the Company as on the valuation date is as follows –

DIN/PAN	Name	Designation
00006840	Mahesh Omprakash Monga	Whole-time director
00007517	Arun Omprakash Monga	Whole-time director
00006868	Ravi Prem Nath	Managing Director
08751297	Vishal Mahesh Monga	Whole-time director
00006819	Kailash Omprakash Monga	Whole-time director
02641690	Amol Kailash Monga	Whole-time director
10359349	Suraj Arun Monga	Whole-time director

2.3 Capital Structure as of 31 July 2024

Particulars	Amount in INR
Authorised	
2,50,00,000 equity shares of INR 10 each	25,00,00,000.00
Issued, Subscribed and Paid-up	
41,74,209 equity shares of INR 10 each	4,17,42,090.00

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3. Identity of the Valuer and Details of Appointment

In the background of the above, this engagement of 'Equity Share Valuation of Monga Strayfield Private Limited' has been carried out by me, **SUMAN KUMAR VERMA (Registered Valuer – Securities or Financial Assets) Regn. No. IBBI/RV/05/2019/12376** on the strength of the appointment engagement letter dated 20.08.2024 from Mr. Sachin J Vijayakar, Chief Financial Officer on behalf of the Board of Directors of Kilburn Engineering Ltd.

4. Purpose of Valuation

The management of Kilburn Engineering Ltd. is contemplating a proposal relating to business alignment / transfer / acquisition of Monga Strayfield Private Limited (MSPL).

Accordingly, Kilburn Engineering Ltd. is looking forward to determining the value of the equity shares of Monga Strayfield Private Limited for their internal evaluation and decision-making which has been mutually agreed and consented by the management of MSPL. Hence, the instant Registered Valuer – Financial Securities have been engaged by the management of Kilburn Engineering, for the purpose of determining the fair value of the equity shares of MSPL.

5. Scope of Work

Our scope of work involves determination of the Fair Value per Equity Share of Monga Strayfield Private Limited based on the International Valuation Standards and Guidance Notes of International Valuation Standards Council (IVSC) which have been prescribed by the Registered Valuation Organization (RVO) with which I am registered as a Valuer. The valuation report is based on the information and the documents provided by the client.

As per the terms of engagement, the valuation report needs to display the fair value of equity shares under 3 (three) different valuation approaches being Market Approach, Income Approach and Cost Approach by using the most appropriate valuation methods. However, the recommended value shall be based on the most appropriate valuation approach and method, to be independently determined by the instant Registered Valuer, in accordance with the guidelines of the International Valuation Standards.

In view of the scope of work, the Registered Valuer have recommended the fair value of the equity shares of the Company, in terms of the mentioned valuation approached and methods, which appears to be the best possible and appropriate method of valuation and have made adequate disclosure of the same in instant report with proper reasoning.

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6. Source of Information

The instant engagement has been assigned by the management of Kilburn Engineering Ltd. pursuant to their business opportunity of contemplating a proposal relating to business alignment / transfer / acquisition of Monga Strayfield Private Limited. Accordingly, the management of Kilburn Engineering Ltd. is intending to determine the fair value of the equity shares of Monga Strayfield Private Limited for their internal evaluation and decision-making. The same has been agreed upon and given consent to, by the management of Monga Strayfield Private Limited.

Accordingly, the following information and documents of Monga Strayfield Private Limited have received by the Registered Valuer, under cover of management representation letter dtd. 27th August 2024 of Kilburn Engineering Ltd., which has been actively considered during the valuation process. The information and documents of MSPL, as received through Kilburn Engineering are as follows:

a. Financial Data, Information and Projection till the financial year end of 31.03.2028;
b. Management Representation Letter dated 27th August 2024;
c. Audited Financial Statements for the past 3 years;
d. Unaudited Financial Statement as on 31.07.2024 certified by the management;
e. Discussions with the Key Management Personnel and verbal information provided in course of such discussion.

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7. Valuation Bases and Premises of Value

ICAI Valuation Standard 102 (paragraph 14 – 36) deals in 'Valuation Bases.' Valuation Bases means the indication of the type of value being used in an engagement. Different valuation bases may lead to different conclusions of value.

The Standard defines the following Valuation Bases:

a) **Fair value**: As defined in ICAI Standard 101, 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.

b) **Participant Specific Value**: As defines in ICAI Standard 101, Participant specific value is the estimated value of an asset or liability considering specific advantages or disadvantages of either of the owner or identified acquirer or identified participants; and

c) **Liquidation Value**: As defined in ICAI Standard 101, Liquidation Value is the amount that will be realized on sale of an asset or a group of assets when an actual/hypothetical termination of the business is contemplated/assumed.

Considering the terms and purpose of this engagement, I have considered 'FAIR VALUE' as the Valuation Base.

ICAI Valuation Standard 102 (paragraph 37 – 51) deals in 'Premises of Value.' Premise of Value refers to the conditions and circumstances of how an asset is deployed. Some of the common premises of value are –

a) Highest and Best Use
b) Going Concern Value
c) As-Is-Where-Is Value
d) Orderly Liquidation
e) Forced Transaction.

Considering the given circumstances, I have considered 'GOING CONCERN VALUE' as the Premises of Value.

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8. Valuation Approaches and Methods

The Standard provides for three main Valuation Approaches, which are as follows –

a) Market Approach
b) Income Approach
c) Cost Approach

8.1 Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

Market Approach are more applicable in instances – (a) where the asset to be valued or a comparable or identical asset, is traded in the active market; (b) there is a recent, orderly transaction in the asset to be valued; or (c) there are recent comparable orderly transactions in identical or comparable asset(s) and information for the same is available and reliable.

The common valuation methods under the Market Approach are –

a) Market Price Method– Under this method, the asset is being valued with reference to the price or volume of the asset as traded in the market.

b) Comparable Companies Multiple (CCM) Method – This method is also known as 'Guideline Public Company Method' and it involves valuing an asset based on 'market multiples' derived from prices of market comparable traded on active market.

c) Comparable Transaction Multiple (CTM) Method – This method is also known as 'Guideline Transaction Method' which involves valuing an asset based on transaction multiples derived from prices paid in transactions of asset to be valued / market comparable (comparable transactions). The price paid in comparable transactions generally include control premium, except where transaction involves acquisition of non-controlling/ minority stake, which needs proper adjustment.

<u>Determination of Fair Value – Market Approach:</u>

The company is not listed on any recognized stock exchange. As represented by management, it is understood that the nature of the business and products dealt with by the Company relates to Industrial Machinery. The Registered Valuer finds it appropriate to determine the fair value of the equity shares by using Comparable Companies Multiple (CCM) Method under Market Approach considering the EV/EBIDTA Multiple of the Industrial Machinery Segment as published by KROOL industrial Multiple In India Report dated January 2024.

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Particulars	**Amount in INR Thousands**
EBITDA of MSPL on 31/07/2024	91,088
Operating EV/EBITDA Multiple	26.3
Multiple after considering Discount of 40%	15.78
Operating Enterprise Value	1437368.64
Adjustments:	
Add: Cash as on 31.07.2024	251419
Add: Value of Non- Current Investment	3852
Equity Value for Shareholders	**1692639.64**
No. of Shares as on 31.07.24 (in thousands)	**4174.209**
Value Per Share (INR)	**405.50**

* In absence of similar companies like that of MSPL have accessible market information, the Registered Valuer relied on the data of publically listed entities having similar line of operations for the purpose of determining the multiplier factors. Such companies have major differences with MSPL in terms of their size, operational vintage, diversified product portfolio, demographic spread etc. Hence, to consider such variation the specific discount of 40% has been considered on the Industry Multiple.

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8.2 Income Approach

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts. This approach involves discounting future amounts (cash flows / income / cost savings) to a single present value.

Income Approach are more applicable in instances – (a) where the asset does not have any market comparable or comparable transaction; (b) where the asset has fewer relevant market comparable; or(c) where the asset is an income producing asset for which the future cash flows are available and can reasonably be projected.

The common valuation methods under Income Approach are –

a) Discounted Cash Flow (DCF) Method – Under this method, the value of the asset is determined by discounting the cash flows expected to be generated by the asset for the explicit forecast period and also the perpetuity value (or terminal value) in case of assets with indefinite life.
b) Relief from Royalty (RFR) Method – In RFR method, the value of the asset is estimated based on the present value of royalty payments saved by owning the asset instead of taking it on lease. It is generally adopted for valuing intangible assets that are subject to licensing, such as trademarks, patents, brands, etc.
c) Multi-Period Excess Earnings Method (MEEM) - MEEM is generally used for valuing intangible asset that is leading or the most significant intangible asset out of group of intangible assets being valued.
d) With and Without Method (WWM) - Under WWM, the value of the intangible asset to be valued is equal to the present value of the difference between the projected cash flows over the remaining useful life of the asset under the following two scenarios: (a) business with all assets in place including the intangible asset to be valued; and (b) business with all assets in place except the intangible asset to be valued.
e) Option Pricing models such as Black-Scholes-Merton formula or binomial (lattice) model which are used to value options.

Determination of Fair Value – Income Approach:

The income approach provides an indication of value by converting future cash flow to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset. As per this approach, 'Anticipation of benefits' is the economic principle which is used by market participants to decide the Value of the subject asset.

In the instant matter, the Registered Valuer is of the opinion that the **Discounted Cash Flow (DCF) Method** is most appropriate in ascertaining the fair value of equity shares of Monga Strayfield Private Limited under the Income Approach.

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The Discounted Cash Flow Method involves forecasting the Free Cash Flows available to Equity (FCFE) & Estimated Terminal Value and discounted back to the valuation date with Cost of Equity (Ke) for the company to arrive at the Value available to equity shareholders. The key parameters used in determining the value of equity shares through DCF Method are as follows–

a) Financial Projection: The financial projection of the Company is based on past trends and considering the significant operational development in the recent past. On discussion with the management the financial projection appeared to be reasonable logical for consideration of the same for the purpose of valuation.

b) Discounting Factor: 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 simple words, having projected the company's free cash flow for the next five years – what these cash flows are worth today is required. That means selecting an appropriate discount rate which can be used to calculate the net present value (NPV) of the cash flow.

Since, the 'Free Cash Flow to Equity' (FCFE) have been considered so the most appropriate discounting factor to be used is the 'Cost of Equity.'

c) Cost of Equity: The annual rate of return that an investor expects to earn when investing in shares of a company is known as the cost of equity. That return is composed of the dividends paid on the shares and any increase (or decrease) in the market value of the shares. The most commonly accepted method for calculating cost of equity comes from the Capital Asset Pricing Model (CAPM).

Determining Cost of Equity (R_e) using Capital Asset Pricing Model (CAPM):
$\boldsymbol{Ke = R_f + \beta\ (R_m - R_f)}$
Where; $R_e = Risk\ Free\ Rate$
$\beta = Beta\ of\ the\ Security$
$R_m = Expected\ Market\ Rate\ of\ Return$

d) Risk Free Rate (Rf): This is the amount obtained from investing in securities considered free from credit risk, such as government securities.

I have considered Rf as 6.924%, which represents 10 Years Government Bond Yield as on the valuation date.

Source: website: https://in.investing.com/rates-bonds/india-10-year-bondyield- historical-data.

e) Beta ($\boldsymbol{\beta}$): Beta is the measure of the risk of the shares of a company. Beta is the covariance between the return on stock and the return on the market. Beta measures the sensitivity of the company's share price to the market as a whole. A beta of one, for instance, indicates that the company moves in line with the market. If the beta is in excess of one, the share is exaggerating

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the market's movements; less than one means the share is more stable. The Company is not listed in any stock exchange and hence its shares are not traded in the stock exchange. Hence to determine the Company Beta (β),

I have relied on the information retrieved from the public source (as mentioned below) and thereafter have made adjustment with reasonable weights to determine the Company specific Beta (β).

	BETA
Unlevered Beta (β) for Engineering Sector as retrieved from https://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/Betas.html	0.97
Add: Company specific Risk weight * @50%	0.15
Company specific Beta (β) using for determining 'Cost of Equity'	**1.12**

I have considered Company Beta (β) as 1.12.

f) Market Rate of Return (Rm): This is the rate of return of the overall market which includes all sectors operating in the economy. The general market rate of return benchmarks the desired rate of return expected by any investor. I have considered Rm as 16.88% which represents the CAGR of SENSEX Index for the period July 2019 to July 2024.

Based on the above details, the Cost of Equity (K_e) is 18.07%, and the same has been considered for determination of the value of Equity Shares.

Thus, based on the above calculation and rationale, I have considered Discounting Factor as 18.07% which basically represents the 'Cost of Equity (K_e)' of the Company.

g) Terminal Value: Terminal value represents the present value at the end of explicit forecast horizon. It basically represents the present value of all subsequent cash flows to the end of the life of the asset or into perpetuity if the asset has an indefinite life. There are several ways to estimate a terminal value of cash flows, but most commonly used method is to value the company as a perpetuity using the Gordon Growth Model, which is as follows –

$$Terminal\ Value = \frac{Final\ Year's\ Projected\ Cash\ Flow\ x\ (1 + Long\ Term\ Growth\ Rate)}{(Discounting\ Factor - Long\ Term\ Growth\ Rate)}$$

This formula is based on the assumption that the cash flow of the last projected year shall stabilize and continue to grow at the defined Grow rate, forever.

Considering the industry scenario, operational vintage and management of MSPL, I have relied on Long Term Growth Rate (i.e. Perpetual Growth rate) as 3% for the purpose of determining Terminal Value.

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h) Discounts for Lack of Marketability (DLOM): Another factor to be considered in valuing closely held companies is the marketability of an interest in such businesses. Marketability is defined as the ability to convert the business interest into cash quickly, with minimum transaction and administrative costs, and with a high degree of certainty as to the amount of net proceeds. There is usually a cost and a time lag associated with locating interested and capable buyers of interests in privately held companies, because there is no established market of readily available buyers and sellers. All other factors being equal, an interest in a publicly traded company is worth more because it is readily marketable. Conversely, an interest in a privately held company is worthless because no established market exists. Several empirical studies have been published that attempt to quantify the discount for lack of marketability. These studies include the restricted stock studies and the pre-IPO studies. As no organized data is available for Indian market, the discount for lack of marketability has been considered at 10%, in this instant case.

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j) Value Analysis **(Amount in INR Thousands)**

Particulars	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Total Revenue	720,000.00	795,000.00	880,000.00	985,000.00
Total Expenses (ex Depn, interest exp and Tax)	570,990.00	607,255.00	667,055.00	741,805.00
EBIT	149,010.00	187,745.00	212,945.00	243,195.00
Depn	13,783.00	13,984.00	12,819.00	12,085.00
Tax	31429.00	43152.00	49,713.00	57,421.00
Net Profit	103,798.00	130,609.00	150,413.00	173,689.00
Add: Depn	13,783.00	13,984.00	12,819.00	12,085.00
Less Capex	(16,309.00)	(16,300.00)	(6,400.00)	(6,700.00)
Incr / (Decr) Movement in term loans	-	-	-	-
(Incr) / Decr In Working Capital excl. Cash	9,257.00	9,500.00	9,500.00	9,500.00
Less: Adjustment of 3 months	(1,511.25)	-	-	-
			-	-
FCFE	109,017.75	137,793.00	166,332.00	188,574.00
Period factor- interim year discounting	0.67	1.67	2.67	3.67
Discount Factor -	0.90	0.76	0.64	0.54
Present value of FCFE	97,589.53	104,470.14	106,807.02	102,556.88
Terminal value with growth rate of 2.5%				700,934.67
Present value of FCFE including Terminal value				1,112,358.24
Add: Surplus Investments				-
Add: Security Deposit & Capital Advances				0.00
Less: Debt Funds				-
Add: Cash and cash equivalents				251,419.00
Enterprise value for Shareholders				1,363,777.24
Less: Discount for lack of marketability (10%)				136377.72
Adjusted Enterprise Value for Shareholders				1,227,399.51
No. of Shares as on 31.07.24 (in thousands)				4174.21
Value per Share (INR)				294.04

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8.3 Cost Approach

Cost approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost). Indication of instances where the cost approach is generally used are – (a) an asset can be quickly recreated with substantially the same utility as the asset to be valued; (b) in case where liquidation value is to be determined; or (c) income approach and/or market approach cannot be used.

The common valuation ~~methods under Cost Approach are –~~

a) Replacement Cost Method – This method is also known as 'Depreciated Replacement Cost Method' which involves valuing an asset based on the cost that a market participant shall have to incur to recreate an asset with substantially the same utility (comparable utility) as that of the asset to be valued, adjusted for obsolescence.

b) Reproduction Cost Method – This method involves valuing an asset based on the cost that a market participant shall have to incur to recreate a replica of the asset to be valued, adjusted for obsolescence.

c) Summation Method – The reference of Summation Method is derived from International Valuation Standards 2017. The summation method, also referred to as the underlying asset method. This method calculates the value of an asset by the addition of the separate values of its component parts. This method is also commonly known as Net Asset Value Method.

Determination of Fair Value – Cost Approach:

In the instant matter, the Registered Valuer is of the opinion that the Net Asset Value Method (Summation Method as per International Valuation Standards) is most appropriate in ascertaining the fair value of equity shares of M.E Energy Pvt. Ltd. under Cost Approach.

This valuation technique is based on the value of the underlying net assets of the business. The net asset value is the value of an entity's assets minus the value of its liabilities. The formula to determine Net Asset Value (NAV) of the Company is as follows:

Net Asset Value (NAV): Total Assets - Total Liabilities

For the purpose of valuation, the Registered Valuer have relied on the unaudited financial statement of M.E Energy Pvt. Ltd. as on 30.09.2023 which has been adjusted with the market value of the asset as per most recent valuation reports to the extent made available to us. Thus, I have determined the Fair Market Value of the equity shares of the Company in the following manner –

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Particulars	**Book Value 31.07.2024**	**Adjusted Value Considered**
Total Assets	643,936.51	643,936.51
Add: Adjustment to Land & Buildings[Note1]	-	304,405.68
Total Adjusted Assets (A)	**643,936.51**	**948,342.18**
Liabilities:		
Borrowings	-	-
Trade Payables	27,568.08	27,568.08
Other Current Liabilities	50,815.49	50,815.49
Provisions	69,543.86	69,543.86
Total Liabilities (B)	**147,927.43**	**147,927.43**
Net Asset Value (A-B)	**496,009.08**	**800,414.75**
No. of Shares as on 31.07.24 (in thousands)	4174.209	4174.209
NAV Per Share INR	**118.83**	**191.75**

Note 1: Land & Buildings

The Land & Building comprise of:

i) Industrial Plot along with factory building and factory shed bearing Plot No. C-4(RS) of BG Block, 'Pimpri-Chinchwad Industrial Area', Bhosari, Pune-411 026

ii) Industrial Plot along with factory building bearing Plot No. T-98 of T Block, 'Pimpri-Chinchwad Industrial Area', Bhosari, Pune-411 026

iii) Industrial Plot along with under construction factory building bearing Plot No. W-272 of W Block, 'Pimpri-Chinchwad Industrial Area', Bhosari, Pune-411 026

iv) Commercial Unit /Office No. 1406, 14th Floor, "Supremus Powai Commercial Co-op Premises Soc. Ltd.", CTS No. 182/A-1, Sakivihar Road, Powai, Village: - Tungwa, Mumbai 400 072 (Within the limits of Municipal Corporation of Greater Mumbai)

v) Shop in Arun Bazar, Mumbai

In the absence of the latest valuation by the Registered Valuer – Land & Building as on the valuation date, the Fair Market Value of the 'Land & Building' has been considered at INR 388,812 Thousand on the basis valuation carried out by Mr. K. R. Biyani, REGISTERED VALUER UNDER, WT ACT: 794 OF 2015-2016, APPROVED VALUER: A 9491 CHARTERED ENGINEER NO. M155155-2, Valuation Report dated 21st August 2024 29.12.2021. Thus, an adjustment for INR 304,405.68 Thousand (being Market Value as per last Valuation Report i.e. INR 388,812 Thousand and Book Value of INR 84,406.33 Thousand) has been considered.

9. Conclusion: Recommended Fair Value

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The ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuer and judgment considering all the relevant factors. There will always be several factors, e.g. quality and integrity of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share and also the legal provisions commensurate to the purpose of the valuation.

In the instant case, the fair value of equity shares of MSPL determined through 'Discounting Cash Flow (DCF)' under Income Approach is most appropriate as it considers the operational potential of the company which is the major underlying driver in the assessment of value of an organization. Additionally, owing to the absence of an exact or near-about similar company in the market, the value under market approach has not been considered. Due to paucity of fair value of the major assets as on the valuation date, value determined under Cost (Asset) method is also not considered. Hence to give due cognizance to the fair value of equity shares determined under DCF Method, I have assigned 0% weight to value computed under the NAV and CCM methods and have given 100% weight to DCF method under Income approach.

Valuation Approach	Valuation Method	Value per share (A)	Weight (B)	Weighted Value (C) = A*B
Market Approach	Adjusted EV/EBITDA Multiple	405.50	0%	0
Income Approach	Discounted Cash Flow	294.04	100%	294.04
Asset Approach	Adjusted Net Asset Value	191.75	0%	0
Fair Value of 1 equity shares of Monga Strayfield Private Limited as on 31.07.2024 (Controlling Stake on -Non Marketable Basis)				**INR 294.04**
Value of 100% stake of Monga Strayfield Private Limited based on outstanding no. equity of shares as on 31.07.2024				**INR 122,74 Lakhs**

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10. Major factors influencing the Valuation

The major factors having significant bearing on the Valuation process and its conclusion are as follows –

a) The revenue projection of the Company is based on the performance achieved during the past years and the future business plan of the Company, being prudential judged considering the nature and vintage of the business. The projected revenue forecast by the Company has been evaluated on a rational basis and found reasonable. However, the same may differ from the opinion of the other individual, which might affect the outcome of this valuation.

b) Projections / forecasts prepared by the management relate to future events and circumstances. Because as the events and circumstances do not occur as expected, there will be difference between projected and actual results and those differences may be material. I take no responsibility for the achievement of the results as projected by the management, which may impact on this valuation.

c) The financial projections prepared and presented by the management have not been audited or certified or authenticated by me except for circumstances whether reasonableness have been evaluated on the basis of the information made available to me. Any material deviation from the information provided shall affect the outcome of this valuation.

d) The Land & Building comprise of:

i) Industrial Plot along with factory building and factory shed bearing Plot No. C-4(RS) of BG Block, 'Pimpri-Chinchwad Industrial Area', Bhosari, Pune-411 026
ii) Industrial Plot along with factory building bearing Plot No. T-98 of T Block, 'Pimpri-Chinchwad Industrial Area', Bhosari, Pune-411 026
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v) Shop in Arun Bazar, Mumbai

In the absence of the latest valuation by the Registered Valuer – Land & Building as on the valuation date, the Fair Market Value of the 'Land & Building' has been considered at INR 388,812 Thousand on the basis valuation carried out by Mr. K. R. Biyani, REGISTERED VALUER UNDER, WT ACT: 794 OF 2015-2016, APPROVED VALUER: A 9491 CHARTERED ENGINEER NO. M155155-2, Valuation Report dated 21st August 2024 29.12.2021. Thus, an adjustment for INR 304,405.68 Thousand (being Market Value as per last Valuation Report i.e. INR 388,812 Thousand and Book Value of INR 84,406.33 Thousand) has been considered.

e) The value of the equity shares of the Company, as recommended in the instant report, is based on prevailing circumstances and conditions which has been specified in appropriate place of the report with proper rationale, based on which the valuer has formed his opinion which have significant bearing on determination of the value of equity shares. Such opinions may be different from the opinion of other experts and accordingly the recommended value may differ.

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11. Contingent and Limiting Conditions

This valuation / appraisal is made subject to the following general contingent and limiting conditions:

a) The analyses, opinions, and conclusions presented in this report apply to this engagement only and may not be used out of the context presented herein. This report is valid only for the effective date specified herein and only for the purpose specified herein.

b) Public information, estimates, industry and statistical information contained in this report have been obtained from sources considered to be reliable. However, I independently did not verify such information and make no representation as to the accuracy or completeness of such information obtained from or provided by such sources.

c) The company and its representatives warranted to me that the information supplied to me is complete and accurate to the best of their knowledge and that the financial information properly reflects the business conditions and operating results for the respective periods in accordance with the generally accepted accounting principles. Information supplied to me has been accepted as correct without any further verification.

d) Financial information of the subject company is included solely to assist in the development of a value conclusion presented in this report and should not be used to obtain credit or for other purpose. Because of the limited purpose of the information presented, it may be incomplete and contain departures from the generally accepted accounting principles. I have not audited or reviewed the financial statement and express no assurance on the same. This report is only to be used for the purpose stated in this report.

e) I do not provide assurance on the achievability of the results forecasted by the client because events and circumstances frequently do not occur as expected; differences between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans, and assumptions of management.

f) The conclusion of value arrived at herein is based on the assumption that the current level of management expertise and effectiveness would continue to be maintained, and that the character and integrity of the enterprise through any sale, reorganization, exchange or diminution of the owner's participation would not materially or significantly change.

g) Possession of this report, or a copy thereof, does not carry with it the right of publication of all or part of it nor may it be used for any purpose by anyone other than those enumerated in this report without my written consent. This report and the conclusion of the value arrived at herein are for the exclusive use of the client for the sole and specific purposes as noted herein.

h) The report and the conclusion of the value are not intended by the author and should not be construed by the reader to be investment advice in any manner whatsoever. The conclusion of value represents my considered opinion, based on information furnished to them by the client and other sources.

i) Neither all nor any part of the contents of this report (especially the conclusion of value, the identity of any valuation specialist(s), or the firm with which such valuation specialists are connected or any reference to any of their professional designations) should be disseminated to the public through advertising media, public relations, news media, sales media, mail, direct transmittal, or any other means of communication without my prior consent and approval.

j) This valuation reflects the facts and conditions existing or reasonably foreseeable at the valuation date. Subsequent events have not been considered, and I have no obligation to update my report for such events and conditions.

k) The analyst, by reason of this valuation, is not required to give further consultation, testimony or be in attendance in court with reference to the property in question unless arrangements have been previously made.

l) My engagement for this valuation consulting work does not include any procedures designed to discover any defalcations or other irregularities, should any exist.

m) No change in any item in this valuation/conclusion report shall be made by anyone other than me and I shall have no responsibility for any such unauthorized change.

n) It is assumed that there is full compliance with all applicable central, state, and local environmental regulations and laws unless non- compliance is stated, defined, and considered in the report.

o) I assume no responsibility concerning the value and useful condition of all equipment, real estate, investments used in the business, and any other assets or liabilities, except as specifically stated to the contrary in this respect.

p) Prospective financial information approved by management has been used in my work, I have not examined or compiled the prospective financial information and therefore, do not express an audit opinion or any other form of assurance on the prospective financial information or the related assumptions.

q) I have relied on the representations of the owners, management, and other third parties concerning the value and useful condition of all equipment, real estate, investments used in the business and any other assets or liabilities, except as specifically stated to the contrary in this report.

r) I have made no investigation of title to property and assume that the owner's claim to the property is valid. I have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances or that the entity has good title to all assets.

s) I understand no materials event has occurred between the Valuation date and the report signing date which is likely to materially affect the value of the assets. The management did not disclose the existence of any such material event to me before signing this valuation report.

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Type of Certificate	Other Certificate
Date of Signing of Document	27/08/2024
Financial Figures / Particulars	10: Face value of Shares 294.04: Fair Value of 1 equity shares of Monga Strayfiled
Document Description	Monga Strayfield Pvt Ltd
Status	Active

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