MANISH SANTOSH BUCHASIA (IBBI REGISTERED VALUER)
Assets class: Securities or financial assets
RV Reg. no: IBBI/RV/03/2019/12235
Address: 306, "GALA MART" Nr SOBO CENTRE, Before SAFAL PARISAR, SOUTH BOPAL, AHMEDABAD - 380058, GUJARAT

To,
The Board of Directors,
GYSCOAL ENTERPRISE PRIVATE LIMITED
2ND FLOOR, MRUDUL TOWER B/H. TIMES OF INDIA,
ASHRAM ROAD, AHMEDABAD, GUJARAT, INDIA, 380009

CORRIGENDUM TO THE VALUATION REPORT OF GYSCOAL ENTERPRISE PRIVATE LIMITED DATED 10/03/2025

The Valuation report dated March 10, 2025 (“Valuation report”) was issued by the registered valuer to the directors of the Company on March 10, 2025, in due compliance with the provisions of the **Section 62 1(c) of Companies Act 2013 for purposes of Preferential Allotment of shares of GYSCOAL ENTERPRISE PRIVATE LIMITED for consideration other than cash**. This Corrigendum is being issued to given valuation report due to some query raised by the NSE.

1. **Para last on Page no. 9 of the valuation report stands amended, substituted and be read as under:**

Income Approach

Value arrived under this approach is based on maintainable or future amounts (e.g., cash flows or income and expenses) converted into a single current value (e.g., discounted or capitalised amount). Under this technique, either: 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 flow 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 equity. The projected free cash flows from business operations available to equity 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 equity.

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This method has been used for the purpose of valuation on the basis of 5 years financial projections year ending on 2028-29.

2. **Kindly provide rationale for fluctuations in projected profits given in Discounted Cash Flow Method:**

As per prediction of management in FY 2025-26 & FY 2027-28 there is some infusion of fund in the company and the such amount shall we deployed for the purpose of expanding business due to which the turnover is high in both years.

3. **Kindly provide rationale for weightage given to valuation approaches in valuation summary:**

Valuation Approach	Value per share (Rs)	Weight	Weighted Value
Asset approach: Net Asset Value Method	31.77	40%	12.7060
Income approach: DCF Method	40	60%	24.0000
Weighted Average Value per share		100%	36.7060
Fair value per shares			36.71

Weightage given on the basis of actual price derived via using approaches.
Value per share via NAV Approach is Rs. 31
Value per share via Income Approach is Rs. 40

Valuation Approach	Value per share (Rs) "A"	Weightage formula "(A/Sum of price)"
Asset approach: Net Asset Value Method	31.77	40%
Income approach: DCF Method	40	60%
TOTAL		100%

Yours faithfully,

MANISH SANTOSH BUCHASIA Digitally signed by MANISH SANTOSH BUCHASIA Date: 2025.03.22 12:38:53 +05'30'

RV MANISH SANTOSH BUCHASIA
IBBI REGISTERED VALUER
Assets class: Securities or financial assets
RV Reg. no: IBBI/RV/03/2019/12235
DATE: 22/03/2025

MANISH SANTOSH BUCHASIA • REGISTERED VALUER • RV Reg No.: IBBI/RV/03/2019/12235 COP No.: ICSIRVO/SFA/40

Valuation Report for allotment of Equity Shares

GYSCOAL ENTERPRISE PRIVATE LIMITED

CIN: U40100GJ1999PTC036337

Regd. Office: 2ND FLOOR, MRUDUL TOWER B/H. TIMES OF INDIA , ASHRAM ROAD, AHMEDABAD, GUJARAT, INDIA, 380009

Email: info@gyscoal.com

Prepared by

MANISH SANTOSH BUCHASIA

IBBI REGISTERED VALUER

Assets class: Securities or financial assets

RV Reg. no: IBBI/RV/03/2019/12235

306, "GALA MART" Nr SOBO CENTRE, SOUTH BOPAL, Ahmedabad -380058, Gujarat

Land Line 912717480025, Office Mobile 9327916394 www.buchasia.com cs@buchasia.com

MANISH SANTOSH BUCHASIA (IBBI REGISTERED VALUER)
Assets class: Securities or financial assets
RV Reg. no: IBBI/RV/03/2019/12235
Address: 306, "GALA MART" Nr SOBO CENTRE, Before SAFAL PARISAR, SOUTH BOPAL, AHMEDABAD - 380058, GUJARAT

To,
The Board of Directors,
GYSCOAL ENTERPRISE PRIVATE LIMITED
2ND FLOOR, MRUDUL TOWER B/H. TIMES OF INDIA,
ASHRAM ROAD, AHMEDABAD, GUJARAT, INDIA, 380009

Dear Sirs,

Subject: Valuation Report of GYSCOAL ENTERPRISE PRIVATE LIMITED – Fair Market Value of Company for purposes of Preferential Allotment.

Based on my analysis as described in this detailed Valuation Report, the Fair Market Value of Equity per share as of 31st March 2024 is Rs. 36.71/-.

Value of Equity for purposes of Swap ratio has been considered as Rs.36.71/-

VALUATION ANALYSIS

All information contained herein with respect to the valuation subject is provided to me, by you / your authorized personnel only. The contents of report have been reviewed in detail by the Management, who have also confirmed the factual accuracy. I understand that you agree with the contents of this report (especially fact based) and nothing has been concealed from me that could have had a bearing on the valuation.

We refer to our Engagement Letter / Board Resolution Dated 13/02/2025 confirming our appointment as independent valuer of GYSCOAL ENTERPRISE PRIVATE LIMITED (the "Company"). In the following paragraphs, we have summarized our Valuation Analysis (the "Analysis") of the business of the Company as informed by the Management and detailed herein, together with the description of the methodologies used and limitations on our scope of work.

Yours faithfully,

MANISH SANTOSH BUCHASIA
Digitally signed by MANISH SANTOSH BUCHASIA
Date: 2025.03.10 13:29:18 +05'30'

RV MANISH SANTOSH BUCHASIA
IBBI REGISTERED VALUER
Assets class: Securities or financial assets
RV Reg. no: IBBI/RV/03/2019/12235
DATE: 10/03/2025

CONTENTS

EXECUTIVE SUMMARY

Name of Company being Valued	**GYSCOAL ENTERPRISE PRIVATE LIMITED**
Subject Interest:	100% Equity interest
Valuation Date:	31st March, 2024
Report Date:	10th March, 2025
Purpose of Valuation:	Allotment for proposed acquisition
Standard of Value:	Fair Market Value
Premise of Value:	Going concern
Valuation Approach & Method Used:	Cost Approach, Market approach and Income approach
Fair Market Value of Equity per share	Rs. 36.71 per share

INTRODUCTION

VALUATION SPECIFICS

I have performed a valuation engagement of **GYSCOAL ENTERPRISE PRIVATE LIMITED**. This summary report will provide sufficient information to permit the intended users to understand the data, reasoning, and analyses underlying the valuation analyst's conclusion of value.

PURPOSE AND INTENDED USE

Valuation of Equity shares for Preferential Allotment for consideration other than cash of **GYSCOAL ENTERPRISE PRIVATE LIMITED** for purposes of Preferential Allotment under Sec 62 1(c) of Companies Act 2013.

INTENDED USERS

The distribution and use of this Report is restricted to the above-mentioned client, the client's legal and financial advisors. The valuation Report shall not be distributed to outside parties to obtain credit or for any other purposes. Possession of the Report does not carry with it the right of publication of all or part of it, nor may it be provided to any third parties. I do not assume any liability, obligation or accountability to any unauthorized third-party users of the Report under any circumstances.

VALUATION DATE

The result of this valuation is my conclusion of value as of 31st March, 2024. I have requested and analysed financial data up to and including the valuation date and have made inquiries into material subsequent events that may be known or knowable at 31st March, 2024

STANDARD OF VALUE

As was appropriate, this valuation engagement used fair market value as the standard of value. This is the most appropriate standard of value to ensure receipt of fair market value to all concerned.

The price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms- length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.

PREMISE OF VALUE

The premise of value is the assumption regarding the circumstances in which an entity, or the entity's assets, would be sold. The International Glossary of Business Valuation Terms defines the following premises:

Going Concern Value - the value of a business enterprise that is expected to continue to operate into the future. The intangible elements of Going Concern Value result from factors such as having a trained workforce, an operational plant, and the necessary licenses, systems, and procedures in place.

Liquidation Value – the net amount that would be realized if the business is terminated and the assets are sold piecemeal. Liquidation can be either "orderly" or "forced."

Orderly Liquidation Value – liquidation value at which the asset or assets are sold over a reasonable period of time to maximize proceeds received.

Forced Liquidation Value – liquidation value, at which the assets or assets are sold as quickly as possible, such as at an auction.

As of the valuation date the Company was not contemplating liquidation. Accordingly, the Company was valued as a going concern entity.

SOURCES OF INFORMATION

In performing the valuation engagement, I was provided with, and relied upon various documents including, but not limited to, the following:

- Audited financial statements of the company for financial year FY 23-24
- Financial projections of 5 years ending on FY 28-29
- Discussions with the Management.
- In addition to the above, I have also obtained such other information and explanations from the Management as considered relevant for the purpose of the valuation.

The information provided by the Clients, Company management, or other representatives, in the course of this engagement, has been accepted without any independent verification. This Report is, therefore, dependent upon the information provided. A material changes in critical information relied upon in this Report would be cause for a reassessment to determine the effect, if any, upon my conclusion. I have not provided attest services in regard to any of the sources.

ASSUMPTIONS AND LIMITING CONDITIONS

The valuation presented in this Report is contingent on the assumptions and limiting conditions as found in “Scope, Limitations and Exclusions” and those found elsewhere in this Report. The Clients are provided with a copy of this Report prior to its final issuance to ensure the accuracy of facts and statements attributed to the Client and Company management.

SUBSEQUENT EVENTS

Generally, the valuation analyst should consider only circumstances existing at the valuation date and events occurring up to the valuation date to form his/her conclusion of value. Subsequent events are indicative of conditions that are not known or knowable at the valuation date. The valuation would not be updated to reflect those events or conditions. I did not, in the course of our engagement, note any subsequent events that would warrant disclosure in this Report.

COMPANY BACKGROUND

As per the data available to us the Company was incorporated 27/07/1999.

The company is engaged in to carry on the business to process, produce, procure, blend, mix, clean, develop, excavate, pack, repack, distribute, search, research, import, export, sale, purchase, trade, market, to act as manufacturers' representatives, clearing and forwarding agents, adatias, brokers, consultants, agents, sub-agents, contractors, miners, agents and representatives in coal, gypsum, coke, charcoal, mineral coal, brequted coal, lignites, fuels, energy related products, energy related goods, such as fuel oil, furnance oil, wood timber, wood and timber products, gas and steam.
Regd. Office: 2ND FLOOR, MRUDUL TOWER B/H. TIMES OF INDIA , ASHRAM ROAD, AHMEDABAD, GUJARAT, INDIA, 380009

The Board of Directors of the Company is as follows:

DIN	Full Name	Designation	Date of Appointment
02343194	MONA VIRAL SHAH	Director	27/11/2021
08845576	DIPALI MANISH SHAH	Director	27/11/2021

Capital Structure of Company: Equity as on 31st March 2024:

Equity Share capital

Particulars	**As at 31.03.2024**
Authorised share capital	
11,00,000 Equity Shares of Rs.10 each (March 31, 2024 - Rs. 10 each)	1,10,00,000
Issued share capital	
10,99,897 Equity Shares of Rs.10 each (March 31, 2024 - Rs. 10 each)	1,09,98,970
Subscribed and fully paid up share capital	
10,99,897 Equity Shares of Rs.10 each (March 31, 2024 - Rs. 10 each)	1,09,98,970

VALUATION APPROACHES AND METHODS

Valuation of a business is not an exact science and depends upon what it is worth to a serious investor or buyer who may be prepared to pay a substantial goodwill. This exercise may be carried out using various methodologies, the relative emphasis of each often varying with:

1. Whether the entity is listed on a stock exchange
2. Industry to which the company belongs
3. Past track record of the business and the ease with which the growth rate in cash flows to perpetuity can be estimated.
4. Extent to which industry and comparable company information is available.

Ind VS 301 on Business Valuation deals with valuation of a business or business ownership interest (i.e., it includes valuation of equity share). This standard specifies that following three approaches are used for valuation of business / business ownership interest:

Market Approach

Income Approach

Cost Approach

Each of the above approaches are discussed in the following paragraphs.

Cost Approach or Net Asset Approach:

The value arrived at under this approach is based on the value per share of the underlying net assets and liabilities of the company, either on book value basis, replacement cost basis or reproduction cost basis. This approach is mainly used in case where the firm is to be liquidated, i.e., in case where the assets base dominates the earnings capability.

This method has been used.

Income Approach

Value arrived under this approach is based on maintainable or future amounts (e.g., cash flows or income and expenses) converted into a single current value (e.g., discounted or capitalised amount). Under this technique, either: 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 flow 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 equity. The projected free cash flows from business operations available to equity 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 equity.

This method has not been for the purpose of valuation because no financial projections is provided for the purpose of valuation

Market Approach:

Value arrived at under this approach normally uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities or a group of assets and liabilities, such as business. Under this approach following valuation methods are commonly used: Market price method, which uses traded price observed over a reasonable period while valuing assets which are traded in the active market.

Comparable Companies Multiple (CCM) method, which involves valuing an asset based on market multiples derived from prices of market comparable traded on active market. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. To the value of the business so arrived, adjustments need to be made for the value of contingent assets/liabilities, surplus Asset and dues payable to preference shareholders, if any, in order to arrive at the value for equity shareholders. This method has not been used as I could not find any comparable company in relation to target company.

Comparable Transaction Multiple (CTM) method, which involves valuing an asset based on transaction multiples derived from prices paid in comparable transactions of assets to be valued. This method has not been used as I could not find any comparable transaction in relation to target entity.

VALUATION WORKINGS

a. Cost Approach

Particular	Amount 31.03.2024
LIABILITIES	
No. of shares	10,99,897
Face value	10
PSC (Equity)	1,09,98,970
Reserve & surplus	2,39,39,337
Long term borrowings	6,28,39,137
Other noncurrent liabilities	20,65,493
Short term borrowings	0
Deferred tax liabilities	12,37,355
Short term provision	50,200
Trade Payables	18,09,43,556
Other current liabilities	2,10,931
TOTAL	**28,22,84,979**
ASSETS	
Property, Plant & Equipment	1,02,87,306
Capital WIP	0
Non-current investments	1,58,76,580
Deferred tax assets	0
Long term Loan and advances	3,37,44,643
other non current assets	9,13,53,373
Current Investment	0
Inventories	0
Trade Receivables	10,01,92,230
Cash & cash equivalents	2,29,103
Short term Loan and advances	6,01,744
other current assets	0
TOTAL	**25,22,84,979**
NET ASSET VALUE	3,49,38,307
Book value (NET ASSET VALUE/No. of Shares)	**31.77**

b. Maintainable Profit Method (Discounted Cash Flows –"DCF")

DCF uses the future free cash flows of the company discounted by the firm's weighted average cost of capital (the average cost of all the capital used in the business, including debt and equity) plus a risk factor measured by beta to arrive at the present value.

Beta is an adjustment that uses historic stock market data to measure the sensitivity of the company's cash flow to market indices for example: through business cycles.

Here we use the **DCF- Perpetuity growth method** for the purpose of valuation.

The DCF method is a strong valuation tool, as it concentrates on cash generation potential of a business. This valuation method is based on the capability of a company to generate cash flows in the future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a company's cost of capital and the risk associated with the cash flows it generates. DCF analysis is based mainly on the following elements:

- Projection of financial statements (key value driving factors) The cost of capital to discount the projected cash flows.

Based on the assumptions and business plans provided by the management, Discounted Cash flow (DCF) basis as given below:

a. Free Cash Flow

Explicit Period: Financial Year **ended 2028-29** (**5** years).

b. Period considered for projections

We have considered a period of 5 operating years starting from Financial Year 2024-25 for the purpose of valuation so as to cover a business cycle.

Moreover, the longer the period covered by the projection, the less reliable the projections are likely to be. For this reason, the approach is used to value businesses, where the future cash flows can be projected with a reasonable degree of reliability.

c. Discounting Factor

In determining the present value of the cash flows that are available to firm, the discount rate used is **Cost of Capital** of the entity, i.e. Weighted Average Cost of Capital (WACC). This reflects the opportunity cost of the Company WACC is arrived at by using the following formula:

= (Cost of Equity * Shareholders Funds/ Total Funds) + (Cost of Debt * Debt/ Total Funds)

d. Cost of Equity

The cost of equity has been determined by using Capital Asset Pricing model (CAPM). This has been computed as follows:

Cost of equity = Rf + [Rm- Rf] (Beta)

Where;

Rf: denotes risk free rate of return

Rm: denotes return on diversified market portfolio return

Rm-Rf: is the market premium risk

Beta is the systematic risk factor

e. 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 investments required for the business as well as the estimated growth rate of the industry and economy. Based on dynamics of the sector and discussions with the Management, we have assumed a terminal growth rate of 2.00% for the Company beyond the projection period.

The cash flow of 5th year has been used to determine the terminal value.

Based on these assumptions, the calculation under the DCF method is as follows:

Estimation / projection fair market value of company equity:

Sl. No.	Details	Projected Data				
		FY 24-25	**FY25-26**	**FY 26-27**	**FY 27-28**	**FY 28-29**
[A]	**OPERATING CASH FLOWS**					
	Profit after taxation	1,14,062	19,17,299	19,74,818	56,88,667	61,54,727
	[+] Depreciation	-	-	-	-	-
	[+ / -] Change in Net Current Assets	-	-	-	-	-
	Operating Cash Flows	1,14,062.08	19,17,298.57	19,74,817.53	56,88,667.33	61,54,727.25
[B]	Free Cash Flows	1,14,062.08	19,17,298.57	19,74,817.53	56,88,667.33	61,54,727.25
	Discounting Factor	0.9364	0.8769	0.8212	0.7690	0.7201
[C]	Present Value of Free Cash Flows	1,06,811.10	16,81,279.72	16,21,632.03	43,74,324.43	44,31,843.11
	Present value of FCFF	9,44,00,898.33				

Calculation of Terminal Value:

Terminal Value (TV) = FCF * (1 + TGR) / (WACC - TGR)

Where:

i. Free Cash Flow (FCF) = 61,54,727.25

ii. Terminal Growth Rate (TGR) = 2.00%

iii. Weighted Average Cost of Capital (WACC) = 6.79%

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Particular	Amount
Terminal Value (TV)	FCF * (1 + TGR) / (WACC - TGR)
Terminal Value (TV)	13,10,99,356.73
Present Value of Terminal Value	TV * Discounting Factor (in the terminal year)
PV of Terminal Value	9,44,00,898.33

Value of Company

S. No.	Details	Amount (in Rs.)
i.	Total primary period cash flows	1,22,15,890.39
ii.	Terminal value cash flows	9,44,00,898.33
	Operating Enterprise Value (i + ii)	10,66,16,788.72
iii.	Deduct: Total debt	6,28,39,137.00
	Add: Cash balance	2,29,103.00
	Enterprise Value	4,40,06,755
Number of shares outstanding		10,99,897
DCF value per equity share		40

c. Valuation as per Comparable Transaction Method

I have analysed deals taken place in last two-three years in the coal and fuel industry. The deals are related to unlisted companies, hence, there is limited availability of financial data. Hence, we have not considered CTM method for our valuation.

CONCLUSION OF VALUE

Based on the foregoing and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, I report that, in my assessment, value for preferential allotment of equity share as on the valuation date is Rs. 36.71/- (Rupees Thirty-six and Seventy one paisa only) per equity share.

VALUATION SUMMARY

Valuation Approach	Value per share (Amt in Rs)	Weight	Weighted Value
Asset approach: Net Asset Value Method	31.77	40%	12.7060
Income approach: DCF Method	40	60%	24.0000
Weighted Average Value per share		100%	36.7060
Fair value per shares			36.71

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REGISTERED VALUER

CAVEATS, LIMITATIONS AND DISCLAIMERS

The services do not represent accounting, assurance, financial due diligence review, consulting, transfer pricing or domestic/international tax-related services that may otherwise be provided by us.

Our review of the affairs of the Company and their books and account does not constitute an audit in accordance with Auditing Standards. We have relied on explanations and information provided by the Management of the Company and accepted the information provided to us as accurate and complete in all respects. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided. Nothing has come to our attention to indicate that the information provided had material mis-statements or would not afford reasonable grounds upon which to base the Report.

The valuation worksheets prepared for the exercise are proprietary to Manish S Buchasia Registered Valuer and cannot be shared. Any clarifications on the workings will be provided on request, prior to finalizing the Report, as per the terms of our engagement.

The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them.

The Valuation Analysis contained herein represents the value only on the date that is specifically stated in this Report. This Report is issued on the understanding that the Management of the Company has drawn our attention to all matters of which they are aware, which may have an impact on our Report up to the date of signature. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

We have no present or planned future interest in the Company and the fee for this Report is not contingent upon the values reported herein. Our Valuation Analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any transaction with the Company.

MANISH SANTOSH BUCHASIA RV Reg No.: IBBI/RV/03/2019/12235 COP No.: ICSIRVO/SFA/40 REGISTERED VALUER

IDENTITY OF THE VALUER AND ANY OTHER EXPERTS INVOLVED IN THE VALUATION:

- RV Manish Santosh Buchasia
- IBBI Registered Valuer Assets class: Securities or financial assets
- RV Reg. no: IBBI/RV/03/2019/12235.

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