

**REPORT FOR RECOMMENDATION
OF SHARE EXCHANGE RATIO
FOR PROPOSED SCHEME OF AMALGAMATION OF
MASTER MOULDS PRIVATE LIMITED
WITH
MASTER COMPONENTS LIMITED
AND
AS ON MARCH 31, 2025**

**Ms. Sayali Deshkar
Chartered Accountant
Membership Number 132663
Registered Valuer - (Securities or Financial Assets)
Reg. No. IBBI/RV/07/2019/12246**

SAYALI DESHKAR

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Date: 29th September 2025

To

The Board of Directors

Master Components Limited

(Previously Known as Master Components Private Limited)

Plot No. D-10/A and D-10/B, M.I.D.C, Ambad

Nashik, Maharashtra, India, 422010

Dear Sir(s) / Madam(s),

Reference: Recommendation of share exchange ratio for the proposed scheme of amalgamation of Master Moulds Private Limited with Master Components Limited.

This is with reference to the engagement letter dated 1st September 2025 and discussions held wherein Ms. Sayali Deshkar (referred to as 'Valuer' or 'we' or 'us') have been given to understand that the Board of Directors of Master Components Limited (Previously Known as Master Components Private Limited) (hereinafter referred as '**MCL**' or '**transferee company**') and Master Moulds Private Limited (hereinafter referred as '**MMPL**' or '**transferor company**') have proposed a scheme of amalgamation of MMPL with MCL under Section 230-232 of the Companies Act, 2013 ('**Proposed Scheme**') with 1st April 2025 as the appointed date ('**Appointed Date**') wherein the amalgamation of MMPL with MCL is proposed. MCL and MMPL are hereinafter collectively referred to as the '**Companies**'.

As informed by the management, under the Proposed Scheme, equity shares of MCL are proposed to be issued to the shareholders of MMPL in exchange for the equity shares held by them in the MMPL.

In connection with the above, the management of the Companies have requested us to render professional services by way of recommendation of share exchange ratio in relation to the proposed scheme of amalgamation.

This share exchange ratio report ('**Report**') is issued for the sole reference purposes of the management and stakeholders of the Companies and for submitting the same to the Ministry of Corporate Affairs, Regional Director, Hon'ble National Company Law Tribunal ('**NCLT**') and applicable regulatory authorities in relation to the Proposed Scheme and for no other purpose.

This Report has been presented considering various information provided by the Companies including the Management Representation Letter. We have listed the scope of work in the course of

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our assignment, noting any limitations on our assignment. The Report has to be read in conjunction with the premise, considerations, limitations, etc. for this engagement in totality.

Based on the sources of information, valuation methodology and approaches mentioned in the report, in our view, following share exchange ratio can be recommended for the purposes of the Proposed Scheme of Amalgamation:

Issue of 41 fully paid up equity share of INR 10/- each of Master Components Limited for every 1 equity share held in Master Moulds Private Limited as on the valuation date, as a consideration for the amalgamation of Master Moulds Private Limited with Master Components Limited.

We are pleased to present herewith our report on the same.

Yours Truly,

Ms. Sayali Deshkar

Chartered Accountant

Membership Number 132663

Registered Valuer - (Securities or Financial Assets)

Reg. No. IBBI/RV/07/2019/12246

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Report for recommendation of share exchange ratio

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VALUATION REPORT**1. BACKGROUND**

Corporate information about the Companies which are a part of the Proposed Scheme of Amalgamation is as under.

A. Master Components Limited ('MCL' or 'transferee company')

MASTER COMPONENTS LIMITED (Previously Known as Master Components Private Limited) (hereinafter referred as 'MCL' or 'transferee company') is a Public Limited Company having CIN Number L28900MH1999PLC123308, was incorporated on 27th December 1999 in accordance with the provisions of the erstwhile Companies Act, 1956 and its registered office is at Plot No. D-10/A and D-10/B, M.I.D.C, Ambad, Nashik, Maharashtra, India, 422010. The Company is listed on the National Stock Exchange ('NSE').

The main object of the MCL is manufacturing, producing, making, fabricating, pressing, designing, moulding, developing, assembling, engineering, altering, repairing, importing, exporting, marketing, trading and dealing in all kinds of components, fixtures, tools, moulds, jigs, engineering instruments, machine tools, machines used in or used by all types of engineering and allied industries, workshops, commercial establishments.

MCL manufactures and supplies Thermoplastic Injection Moulding, Thermoset Injection Moulding, Sheet Metal & Compression Moulding, Sub-assemblies etc.

The authorized capital of MCL as on the date of valuation is INR 4,50,00,000 (Rupees Four Crore Fifty Lakh Only) divided into 45,00,000 Equity Shares of face value INR 10/- each. The paid up capital as on the valuation date is INR 4,00,00,000 (Rupees Four Crore Only) divided into 40,00,000 Equity Shares of face value INR 10/- each.

The list of promoters and their shareholding as on the date of valuation is as follows:

Sr No	Name of Shareholders	Type of Share	Number of Shares	Face Value	Paid up Capital (INR)
1	Mudduraj C. Kulkarni	Equity	4,27,300	10	42,73,000
2	Shrikant H. Joshi	Equity	4,28,300	10	42,83,000
3	Anagha S. Joshi	Equity	8,58,000	10	85,80,000
4	Rajeshwari M. Kulkarni	Equity	8,58,000	10	85,80,000
5	Mudduraj C. Kulkarni (HUF)	Equity	1,65,000	10	16,50,000
6	Shrikant H. Joshi (HUF)	Equity	1,65,000	10	16,50,000
7	Aditya M. Kulkarni	Equity	1,100	10	11,000
8	Akshay N. Kulkarni	Equity	1,100	10	11,000

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9	Tanvi S Joshi	Equity	3,100	10	31,000
10	Bhargav S Joshi	Equity	100	10	1,000

The details of the Board of Directors and Key Managerial Persons as on the date of valuation is given below:

DIN/DPIN/ PAN	Name	Designation	Date of Appointment
01190978	Mudduraj Chandrashekar Kulkarni	Managing Director	27/12/1999
01190986	Shrikant Hanamant Joshi	Whole-time director	27/12/1999
*****6665M	Shrikant Hanamant Joshi	CFO	12/01/2023
02763942	Ganapathi Mala Joshy	Director	12/01/2023
01190990	Rajeshwari Mudduraj Kulkarni	Director	05/04/2003
01190993	Anagha Shrikant Joshi	Director	05/04/2003
10040145	Vishal Jayantibhai Patel	Director	12/04/2023
*****4951L	Riddhi Mukesh Bheda	Company Secretary	07/04/2025

B. MASTER MOULDS PRIVATE LIMITED ('MMPL' or 'transferor company')

MASTER MOULDS PRIVATE LIMITED (hereinafter referred as 'MMPL' or 'transferor company') is a Private Limited Company having CIN Number U28999MH1997PTC106289 was incorporated on 4th March 1997 in accordance with the provisions of the erstwhile Companies Act, 1956 and its registered office is at Plot No. D-1/14, M. I. D. C., Ambad, Nashik, Maharashtra, India, 422010.

The main object of the MMPL is manufacturing, producing, making, fabricating, pressing, designing, moulding, developing, assembling, engineering, altering, repairing, importing, exporting, marketing, trading and dealing in all kinds of tools, moulds, jigs, fixtures, engineering components, engineering instruments, machine tools, machines used in or used by all types of engineering and allied industries, workshops, commercial establishments.

MMPL has a modern Tool Room Facility which provides Design & manufacturing of all types of injection, compression & transfer moulds, jigs, fixtures & press tools etc.

The authorized capital of MMPL as on the date of valuation is INR 50,00,000 (Rupees Fifty Lakh Only) divided into 50,000 Equity Shares of face value INR 100/- each. The paid up capital on the valuation date is INR 30,00,000 (Rupees Thirty Lakh Only) divided into 30,000 Equity Shares of face value INR 100/- each.

The list of promoters and their shareholding as on the date of valuation is as follows:

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Sr No	Name of Shareholders	Type of Share	Number of Shares	Face Value	Paid up Capital (INR)
1	Mudduraj C. Kulkarni	Equity	11,130	100	11,13,000
2	Mr. Shrikant Joshi	Equity	11,130	100	11,13,000
3	Mrs. Anagha Joshi	Equity	3,300	100	3,30,000
4	Mrs. Rajeshwari Kulkarni	Equity	3,300	100	3,30,000
	Total		28,860		28,86,000

The details of the Board of Directors and Key Managerial Persons as on the date of valuation is given below:

DIN/DPIN/ PAN	Name	Designation	Date of Appointment
01190978	Mudduraj Chandrashekhar Kulkarni	Director	04/03/1997
01190986	Shrikant Hanamant Joshi	Director	04/03/1997
01190990	Rajeshwari Mudduraj Kulkarni	Director	18/03/2020
01190993	Anagha Shrikant Joshi	Director	18/03/2020

MCL and MMPL are group companies of Master Group. The vision of the Master Group is to be the most trusted partner in precision manufacturing, redefining industry standards through innovation, reliability, and cutting-edge solutions.

I, Sayali Nikhil Deshkar, am an Independent Registered Valuer, registered with the Insolvency Bankruptcy Board of India (IBBI) under the Asset Class – Securities or Financial Assets vide registration number IBBI/RV/07/2019/12246 and an Associate Chartered Accountant having membership number 132663 holding a Certificate of Practice from the Institute of Chartered Accountants of India.

2. PURPOSE

Based on the discussions held with the management of the Companies we understand that the Board of Directors of the Companies have considered and proposed the amalgamation of MMPL with MCL which is to be affected through a Scheme of Amalgamation (**“Proposed Transaction”, “Proposed Scheme”, “Scheme”**) under Section 230 - 232 and other applicable provisions of the Companies Act, 2013 with effect from the Appointed Date of April 1, 2025 (**“Appointed Date”**).

As per the Scheme of amalgamation, under the Proposed Scheme, Equity shares of MCL are proposed to be issued to the shareholders of MMPL in exchange for the equity shares held by them in the MMPL respectively.

As seen from the Background section, the Companies being considered in the Proposed Scheme are a part of the same group and ultimate beneficial owners of the Companies are Promoters of the both Companies.

In the light of the aforesaid and drawing reference to further explanations in the subsequent parts of this Report, the management has requested share exchange ratio for swap of equity shares.

This Report is required for submission to the respective Board of Directors of the Companies, filings with Ministry of Corporate Affairs, Regional Director, NCLT and Indian Income Tax authorities and Stock Exchange, if required, in connection with the Proposed Scheme.

The scope of our services is limited to recommendation of ratios (as stated in this Report) for the Proposed Scheme of amalgamation of between MCL and MMPL.

3. ASSUMPTIONS

We assume that the management of the Companies have brought to our attention all factors having an impact on the determination of the share exchange ratio. The shareholders have agreed to the consideration by way of issue of shares pursuant to the Proposed Scheme based on independent understanding including acknowledging the post-amalgamation shareholding pattern pursuant to issue of shares on share exchange basis.

We have been given to understand by the management of the Companies that they have not omitted any relevant and material factors. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. We assume no responsibility for any errors in the above information furnished by the Companies and their impact on the present exercise.

We have also assumed that the business will be operated prudently and that there are no unforeseen adverse changes in the economic conditions affecting the business, the market or the industry. This report is prepared on the assumption that the management of the Companies will continue to preserve the fundamental character and integrity of the Companies, irrespective of any future sale, internal reorganisation, or any reduction in the level of participation by the existing owners in the Company's ongoing operations.

We have, however, used conceptually sound and generally accepted methods, principles and procedures of valuation in determining the value estimate included in this report. The valuation analyst, by reason of performing this valuation, is not required to give testimony nor is to be in attendance in court or any government hearing with reference to the matters contained herein, unless prior arrangements have been made with the analyst regarding such additional engagement.

We have relied on data from external sources which includes government portals also for some information. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context. We have assumed that the business continues normally without any disruptions due to statutory or other external / internal occurrences.

Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, we shall not, 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.

In rendering this Report, we have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.

This exercise of commenting on the share exchange ratio for the Proposed Scheme is not and must not be interpreted as our opinion or estimate of the absolute market value or independent fair value of the equity shares, pre or post-amalgamation.

Scope of work is limited to expression of view on the proposed share exchange ratio and its impact on the economic interest of the shareholders of the Companies. This Report is not, nor should it be construed as, our opining or certifying the compliance of the Proposed Scheme with the provisions of any law or any legal implications or issues arising from such Proposed Scheme.

We acknowledge that we are independent of the client and have no present or contemplated financial interest in the Companies. The fees for this valuation are based upon normal billing rates and not contingent upon the results or the value of the business or in any other manner. Any recommendation should be considered to be in the nature of non-binding advice.

We have been provided with adequate information and sufficient time to carry out recommendation of the share exchange ratio.

A draft of this report was shared with the Management for confirmation of facts and other inputs provided by the Management. The draft report has been duly confirmed by them for the facts etc.

In addition, we do not take any responsibility for any changes in the information used by us to arrive at our conclusion as set out here in which may occur subsequent to the date of our Report or by virtue of fact that the details provided to us are incorrect or inaccurate.

The information contained herein and our report is absolutely confidential. It is intended only for the sole use and the proposed requirement of the companies as described in the terms of reference.

4. LIMITATIONS

Our work does not constitute an audit in accordance with the generally accepted auditing standards or an examination of internal controls or other attestation or review services. Accordingly, we are unable to and do not express an opinion or any form of assurance on the financial projections or any financial or other information or any operational data and internal controls of the companies. No responsibility is assumed for matters of a legal nature. We were not required to carry out a legal due diligence review.

The reader of this report should be aware that business valuation which is based on future earning potential that may or may not materialize. Any financial projection e.g. projected Balance Sheet, projected Profit and loss account, projected cash flow statement as presented in this report is included solely to assist in the development of the value conclusion. The actual results may vary from the projections given and the variations may be material which may change the overall value.

Share exchange analysis and result are specific to the purpose of share exchange ratio and the share exchange ratio date that is agreed with us. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

The recommendation of share exchange ratio arrived at in this report is based on the methodology outlined and assumptions listed. It is not representative of market value which may be realized, as market value is dependent on capital market conditions, industry forecasts, enterprise value and several other factors.

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

Further, this Report is based on the extant regulatory environment and the financial, economic, monetary and business/market conditions, and the information made available to us or used by us up to the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and we shall not be obliged to update, review or reaffirm this Report if the information provided to us changes. Further events occurring after the

date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

This report is only to be used in its entirety and for the purpose stated in the report. No third party should rely on the information or data contained in this report without the advice of a Business Expert, Registered Valuer, Accountant or Legal Advisor.

5. SOURCES OF INFORMATION

- Audited Financial Statements of the MCL and MMPL as on 31st March 2025.
- Management forecasts of Profit and Loss Statements and Balance Sheets for the FY 2025-26 to 2029-30
- Draft scheme of Amalgamation between MCL and MMPL.
- Memorandum and Articles of Association of the Companies.
- Other relevant documents and information as furnished by the Companies in accordance with the Management Representation Letters dated 27th September 2025
- Discussions with the executives and management of the Companies and the information available in the public domain.
- We have also obtained necessary explanations and information, which we believed were relevant to the present exercise, from the executives and the management of the companies.

6. VALUATION DATE

The analysis of the share exchange ratio has been carried out as on 31st March 2025.

7. VALUATION STANDARDS

The report has been prepared in compliance with provisions of the section 230-232 and other applicable provisions of the Companies Act, 2013 and other applicable valuation norms along with International Valuation Standards issued by the International Valuation Standards Board and more specifically in terms of General International Valuation Standards, International Valuation Standard 200 Business and Business Interests, International Valuation Standard 500, Financial Instruments ('IVS 500') and other applicable valuation standards and norms.

8. VALUATION METHODOLOGY

The proposed scheme of Amalgamation ('Scheme') under the provisions of Section 230 to 232 of the Companies Act, 2013 contemplates amalgamation of MMPL with MCL.

Arriving at the Share Exchange Ratio for the above proposed amalgamation, would require determining the fair valuation of equity of MCL and MMPL, based on different valuation approaches explained below and various qualitative factors relevant to each company, business dynamics and growth potentials of the businesses of MCL and MMPL, information base and key underlying assumptions and limitations.

The standard of value used in the Analysis is “Fair Value”, which is often defined as the price, in terms of cash or equivalent, that a buyer could reasonably be expected to pay and a seller could reasonably be expected to accept, if the business were exposed for sale in the open market for a reasonable period of time, with both buyer and seller being in possession of the pertinent facts and neither being under any compulsion to act.

The valuation currency used in this valuation report for determining the fair value/values is Indian Rupee (INR) which is the reporting currency of the Companies.

Valuation of a business is not an exact science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion by the Valuer and judgement taking into accounts all the relevant factors. There is, therefore, no indisputable single value. While we have provided my recommendation of the fair equity share exchange ratio pursuant to the proposed scheme of the Companies based on the financial and other information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for determination of the fair equity share exchange ratio is of the management of the Companies who takes into account other factors such as their own assessment of the companies and input of other advisors.

The valuation exercise involves selecting methods suitable for the purpose of valuation, by exercise of judgment by the Valuers, based on the facts and circumstances as applicable to the business of the Companies to be valued. There are several commonly used and accepted methods for determining the fair value of equity which have been considered in the present case, to the extent relevant and applicable, including:

- a) The Cost Approach
 - Net Asset Value ('NAV') Method
- b) The Market Approach
 - Market Price Method
 - Comparable Companies' Multiples ('CCM') Method
 - Comparable Companies' Transaction Multiples ('CTM') Method; and
- c) The Income Approach
 - Discounted Cash Flow ('DCF') Method

In performing a valuation exercise, the valuer should consider all three approaches and select the most appropriate approach. The selection would involve consideration of various factors such as the history, nature, stage of the development of the company, the nature of its assets and liabilities, its capital structure and also the availability of reliable, comparable and verifiable data that will be required to perform the analysis.

Cost Approach

Cost approach focuses on the net worth or net assets of a business

(A) Net Asset Value (NAV) method

The Net Assets Value (NAV) method, widely used under the Cost approach, considers the assets and liabilities as stated at their book values. The net assets, after reducing the dues to the preference shareholders, and contingent liabilities, if any, represent the value of the Company to the equity Shareholders. This valuation approach is mainly used in case where the assets base dominates earnings capability or in case where the valuing entity is a holding Company deriving significant value from its assets and investments.

(B) Adjusted Net Asset Value Method ("Adjusted NAV")

Adjusted NAV method is a version of NAV method wherein assets and liabilities are considered at their realizable (market) value including intangible assets and contingent liabilities, if any, which are not stated in the Statement of Assets and Liabilities. Under this method, adjustments are made to the company's historical balance sheet in order to present each asset and liability item at its respective fair market value. The difference between the total fair market value of the adjusted assets and the total fair market value of the adjusted liabilities is used to value a company. The value arrived at under this approach is based on the financial statements of the business and may be defined as Net-worth or Net Assets owned by the business.

Market Approach

Under this approach, value of a company is assessed basis its market price (i.e., if its shares are quoted on a stock exchange) or basis multiples derived using comparable (i.e., similar) listed companies or transactions in similar companies.

Following are the methods under Market Approach:

(A) Market Price Method

The market price of a share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper indicator of the fair value of the share especially where the market values are fluctuating in a volatile capital market or when the shares are thinly traded. Further, in the case of amalgamation, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

(B) Comparable Companies Multiples Method ('CCM')

Under this method, value of a business/ company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. The market price, as a ratio of the comparable company's attribute such as sales, capital employed, earnings, etc. is used to derive an appropriate multiple. This multiple is then applied to the attribute of the asset being valued to indicate the value of the subject asset. 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.

(C) Comparable Transactions Multiples Method ('CTM')

Under this method, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable transactions. This valuation is based on the principle that transactions 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.

Income Approach

The income approach is widely used for valuation under the "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.

Discounted Cash Flow (DCF) Method

Discounted Cash Flow Method ('DCF') is a widely used method for valuation of Companies. As per this method, Value is defined as:

Value = present value of future cash flow than can be withdrawn from the company

The value so derived is not impacted by accounting practices, as it is based on cash flows and not the accounting profit. This method involves the following steps:

- Projecting the cash flows that are available to the enterprise, i.e. Free Cash Flows to Firm ('FCFF') for a foreseeable future. Generally FCFF forecasts are developed for a period of 3 to 6 years depending upon the operations of the company and the availability of reliable estimates.
- FCFF is calculated as Earnings before Interest, tax and depreciation add/less cash outflow due changes in working capital and capital expenditure requirement less Tax on earnings before Interest.
- It is also required to estimate the terminal equity value i.e. an estimate of the enterprise value of the company at the end of the forecast period. This value is generally calculated by assuming an implicit growth rate till perpetuity and capitalization the free cash flows corresponding to the last year in the forecast period.
- Selection of the discount rate reflects the expected rate of return (adjusted for risks associated with the investment) to prospective investors in similar investment opportunities. The Weighted Average Cost of Capital ('WACC') is used as the indicator of the relevant discount rate and is defined as the weighted combination of the Cost of Equity Capital and the Cost of Debt Capital.

The Cost of Equity Capital as per the Capital Asset Pricing Model is expressed as:

$$K_e = r_f + (H * r_{pm})$$

Where

k_e = cost of equity financing

r_f = Risk free rate of return

H = Beta, a measure of risk associated with the company

r_{pm} = Market risk Premium ($r_m - r_f$)

r_m = Expected Market Return

Selection of Valuation Methodology

As, it is said that valuation is an art and not science. It has to be clearly understood that valuation is more an expression of an opinion of individual professional. Each valuer uses their own professional judgment and recommends fair value for the purpose of arriving at a share exchange ratio. It is highly possible that two valuers attempting to arrive at a value to determine a share exchange ratio will come up with different values.

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into account all the relevant factors. There will always be several factors, e.g., 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. The determination of share exchange ratio/ valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single share exchange ratio/ equity value estimate. The Share Exchange Ratio rendered in this Report only represent our recommendation(s) based upon information till the date of this Report, furnished by the Management (or its representatives) and other sources, others may place a different value. The final responsibility for the determination of the Share Exchange Ratio at which the Proposed Amalgamation shall take place will be with the Board of Directors who should take into account other factors such as their own assessment of the Proposed Amalgamation and input of other advisors.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature. The valuation approaches/ methods used, and the values arrived at using such approaches/ methods by us have been discussed below

The approach considered for the present exercise is as follows:

1. Master Components Limited

Cost Approach

In the current case we have analyzed the valuation of MCL as per The Net Assets Value (NAV) method under the Cost Approach. **(Refer Annexure 1)**

Market Approach

(A) Market Price Method

As equity shares of MCL are listed on the recognized stock exchange and equity shares of the listed entity are being issued to the shareholders of an unlisted entity, we have considered Market Price Method under the Market Approach for valuation of MCL. **(Refer Annexure 2)**

Since in the current case equity shares of a listed company i.e. Master Components Limited would be issued to the shareholders of Master Moulds Private Limited, the minimum price at which shares are to be issued is prescribed under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 issued vide notification No. SEBI/LAD-NRO/GN/2018/31 dated 11th September 2018 and as amended from time to time. Further as per SEBI circular no. SEBI/HO/CFD/POD- 2/P/CIR/2023/93, dated 20th June 2023, the issuance of shares under schemes in case of allotment of shares only to a select group of shareholders or shareholders of unlisted companies pursuant to such schemes shall follow the pricing provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (hereinafter referred to as "the ICDR Regulations").

The ICDR regulation reads as under:

The issuance of shares under schemes in case of allotment of shares only to a select group of shareholders or shareholders of unlisted companies pursuant to such schemes shall follow the pricing provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (hereinafter referred to as "the ICDR Regulations").

Regulation 158 of ICDR Regulations which specifies that issue of equity shares to shareholders of an unlisted entity pursuant to a NCLT approved scheme shall conform with the pricing provisions of preferential issue specified under Regulation 164 of the said regulations. Further it may be noted that Regulation 164 specifies the minimum price for issue of shares on a preferential basis.

According to Section 164(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, ("ICDR") for issuers that have been listed on a recognized stock exchange for a period of 90 days or more as on the relevant date, the price of equity shares to be allotted pursuant to the preferential issue shall not be less than higher of the following:

- a. The 90 trading days' Volume Weighted Average Price ("VWAP") of related equity shares quoted on the recognized stock exchange preceding the relevant date.
- b. The 10 trading days' VWAP of related equity shares quoted on the recognized stock exchange preceding the relevant date.

"Relevant date" means in case of allotment of equity shares, the date of the meeting in which the board of directors of the issuer or the committee of directors duly authorized by the board of directors of the issuer decides to open the proposed issue. For the purpose of calculation of the VWAP, the relevant date of September 29, 2025, has been considered.

"frequently traded shares" means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the 232[240 trading days] preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer.

Based on the guidance given in the ICDR regulations for determining the share price, we have calculated the per share value of IWL based on the formula of 90 days / 10 days VWAP.

(B) Comparable Companies Multiples Method ('CCM')

Based on the information and explanations received from management of the MCL and the market data of comparable companies, we have valued MCL based on the average Price Earning (PE) multiple of comparable companies. **(Refer Annexure 3)**

Income Approach

Discounted Cash Flow (DCF) Method

The steps followed in applying this approach include estimating the expected cash flows of the business over a selected period of estimation and converting these cash flows to present value through discounting. The discounting process uses the weighted average cost of capital (WACC) as the discounting figure. Finally the PV of the cash flows over the period of estimation and the PV of the terminal value. i.e. the value of the business at the end of the estimation period are summed up to arrive at the total present business value.

The following limitations have to be kept in mind while reviewing the above forecasts:

- Various internal and external risk factors may have not been identified or quantified
- Prior performance does not guarantee future results
- Passage of time increases the likelihood of events that have not been foreseen or addressed in this projection

- Unforeseen economic or global changes could adversely affect the actual profitability and cash flows

Free Cash Flows

To estimate the cash flow available to the stakeholders projected income statement and balance sheet of the entity are prepared for certain future years (explicit forecast period) until the time when the company's business stabilize. These estimates are based on the financial assumptions that are derived by the management of the company from the integrated results of the economic outlook, industry outlook, corporate analysis, historical financial analysis and management expectation.

In addition, the markets in which the company operates, future trends as well as perceptions of the management are factored in. Free cash flows would then be estimated for the explicit forecast period, which in our case is the period between financial years 2025-26 and 2029-30.

Please refer Annexure "4A" for the detailed cash flows.

The Free Cash Flows to the firm (FCFF) has been calculated as follows:

Earnings before tax (EBT)

Less: Taxes

Add: Depreciation

Less: Planned capital expenditure

Less/Add: Increase/decrease in net working capital

The Discounting Factor

The discounting factor is a rate of return that an investor would receive if capital were invested in a similar venture. The rate used in this case is the weighted average cost of capital (WACC), being adjusted for risk premium for illiquidity and project execution risk. The Capital Asset Pricing Model has been used to compute the cost of equity for the company. **Please refer annexure '4B'** for calculation of the WACC and the discounting factor.

Terminal value

A terminal value has been calculated at the end of the explicit forecast period to arrive at the future cash flows that the company could generate, termed as the continuous value. The important assumption being that there would be no material change in the trends or economic outlook beyond the explicit forecast period. **Please refer annexure '4C'** for the calculation of the Terminal Value.

2. Master Moulds Private Limited

Cost Approach

In the current case we have analyzed the valuation of MCL as per The Net Assets Value (NAV) method under the Cost Approach. **(Refer Annexure 5)**

Market Approach

(A) Market Price Method

Equity shares of MMPL are not listed on any stock exchange. Hence, we have not considered Market Price method.

(B) Comparable Companies Multiples Method ('CCM')

Based on the information and explanations received from management of the MMPL, we have valued MMPL based on the average Price Earning (PE) multiple of comparable companies. **(Refer Annexure 6)**

(C) Comparable Transactions Multiples Method ('CTM')

Based on the information and explanations received from management of the MMPL, we understand that there are no exact comparable transactions due to difference in size, nature, features, financial data etc. for us to present a relative case for valuation. Accordingly, we have not used CTM method under the Market Approach for the valuation exercise.

Income Approach

Discounted Cash Flow (DCF) Method

The steps followed in applying this approach include estimating the expected cash flows of the business over a selected period of estimation and converting these cash flows to present value through discounting. The discounting process uses the weighted average cost of capital (WACC) as the discounting figure. Finally the PV of the cash flows over the period of estimation and the PV of the terminal value. i.e. the value of the business at the end of the estimation period are summed up to arrive at the total present business value.

The following limitations have to be kept in mind while reviewing the above forecasts:

- Various internal and external risk factors may have not been identified or quantified

- Prior performance does not guarantee future results
- Passage of time increases the likelihood of events that have not been foreseen or addressed in this projection
- Unforeseen economic or global changes could adversely affect the actual profitability and cash flows

Free Cash Flows

To estimate the cash flow available to the stakeholders projected income statement and balance sheet of the entity are prepared for certain future years (explicit forecast period) until the time when the company's business stabilize. These estimates are based on the financial assumptions that are derived by the management of the company from the integrated results of the economic outlook, industry outlook, corporate analysis, historical financial analysis and management expectation.

In addition, the markets in which the company operates, future trends as well as perceptions of the management are factored in. Free cash flows would then be estimated for the explicit forecast period, which in our case is the period between financial years 2025-26 and 2029-30.

Please refer Annexure "7A" for the detailed cash flows.

The Free Cash Flows to the firm (FCFF) has been calculated as follows:

Earnings before tax (EBT)

Less: Taxes

Add: Depreciation

Less: Planned capital expenditure

Less/Add: Increase/decrease in net working capital

The Discounting Factor

The discounting factor is a rate of return that an investor would receive if capital were invested in a similar venture. The rate used in this case is the weighted average cost of capital (WACC), being adjusted for risk premium for illiquidity and project execution risk. The Capital Asset Pricing Model has been used to compute the cost of equity for the company. **Please refer annexure '7B'** for calculation of the WACC and the discounting factor.

Terminal value

A terminal value has been calculated at the end of the explicit forecast period to arrive at the future cash flows that the company could generate, termed as the continuous value. The important assumption being that there would be no material change in the trends or economic outlook beyond the explicit forecast period. **Please refer annexure '7C'** for the calculation of the Terminal Value.

9. BASIS OF DETERMINATION OF SHARE EXCHANGE FOR EQUITY SHARES

In the view of the above, and on consideration of the relevant factors and circumstances as discussed and outlined hereinabove, the tables below summaries our workings for valuation of MCL and MMPL, and the Share Exchange Ratio as derived by us.

Computation of Fair Share Exchange Ratio:

Valuation Approach	MCL (transferee company)			MMPL (transferor company)		
	Value per Share	Weight	Relative Value per share	Value per Share	Weight	Relative Value per share
Asset Approach Net Asset Value	73.73 (Annexure 1)	0%	NIL	1,801.62 (Annexure 5)	0%	NIL
Market Approach						
- Market Price Method	354.06 (Annexure 2)	25%	88.52	NA	NA	NA
- Comparable Companies Multiples Method	315.21 (Annexure 3)	25%	78.80	14,464.54 (Annexure 6)	50%	7,232.27
Income Approach DCF Method	380.58 (Annexure 4)	50%	190.29	14,850.05 (Annexure 7)	50%	7,425.02
Relative Value per Share		100%	357.61		100%	14,657.29
Exchange Ratio (rounded off)	41:1					

We have not considered NAV method for the said valuation purpose as both MMPL and MCL are operating business and we understand that historical book values do not reflect the intrinsic values of the businesses. We have however calculated and demonstrated the book NAV for informational purposes. Based on discussions with the management we understand that the Properties located at Igatpuri (land) and Property at Racca Colony (flat) which are in the books of MMPL are not in operation and hence are likely to be disposed before filing of the scheme. In our view, this will not impact the valuation as we have not considered the asset approach in the valuation matrix.

In view of the above, and on consideration of all the relevant factors, assumptions, circumstances, limitations, etc. as discussed and outlined hereinabove earlier in this Report, pursuant to the Proposed Scheme, the share exchange ratio for the Proposed Amalgamation of MMPL with MCL to be considered is 41 fully paid up equity shares of face value INR 10/- each of Master Components Limited for every 1 equity share held in Master Moulds Private Limited.

10. OPINION

Based on above, and on consideration of all the relevant factors, circumstances, limitations, etc. as discussed and outlined hereinabove earlier in this Report, following share exchange ratio can be recommended for the purposes of the Proposed Scheme:

Issue of 41 fully paid up equity shares of face value INR 10/- each of Master Components Limited for every 1 equity share held in Master Moulds Private Limited as on the date, as a consideration for the amalgamation of Master Moulds Private Limited with Master Components Limited.

CA Sayali Deshkar

Registered Valuer - (Securities or Financial Assets)

Reg. No. IBBI/RV/07/2019/12246

ICAI Membership Number 132663

Date: 29th September 2025

UDIN: 25132663BMJRBS3828

SAYALI DESHKAR

Chartered Accountant & Registered Valuer (IBBI)

Report for recommendation of share exchange ratio

Annexure 1

MASTER COMPONENTS LIMITED

Net Asset Value (NAV) method

MASTER COMPONENTS LIMITED (Previously Known as Master Components Private Limited)	
CALCULATION OF FAIR VALUE OF EQUITY SHARES BASED ON THE NET ASSETS METHOD UNDER COST APPROACH BASED ON THE AUDITED FINANCIAL STATEMENTS AS ON 31.03.2025	
Particulars	As on 31 st March 2025 INR (in Lakhs unless specified)
Assets:	
Non-current assets	
Property Plant & equipment & Intangible assets	
Property Plant & Equipment	2,419.26
Other non-current assets	32.04
Current assets	
Inventories	646.15
Trade receivables	921.22
Cash and cash equivalents	23.03
Short-term loans and advances	3.11
Other current assets	260.04
Total Assets	4,304.85
Liabilities	
Non-current liabilities	
Deferred tax liabilities (Net)	139.20
Current liabilities	
Short-term borrowings	400.74
Trade payables	536.15
Other current liabilities	110.04
Short-term provisions	169.63
Total Liabilities	1,355.76
Net Assets	2,949.09
Less: Miscellaneous Expenses	-
Net Assets Value	2,949.09
Number of Equity shares (Actual in Numbers)	40,00,000
NAV Per share (INR)	73.73

Annexure 2**MASTER COMPONENTS LIMITED****Market Price Method**

- A. Stock Exchange on which the equity shares of Transferee Company are frequently traded in terms of Regulation 164 of the SEBI ICDR Regulations 2018

Category	Start Date	End Date	Total Shares Traded	No. of Outstanding shares	Traded Turnover
NSE Volume for 240TD*	14/10/2024	29/09/2025	4,17,000	40,00,000	10.43%

* 240 TD refers to 240 Trading Days

The traded turnover is greater than 10% and hence we can conclude that the shares of MCL are frequently traded on the NSE

- B. The minimum issue price based on the pricing formula prescribed under Regulation 164(1), Chapter V of the SEBI ICDR Regulations 2018 shall be higher of the following:
- i. The 90 trading days' Volume Weighted Average Price ("VWAP") of related equity shares quoted on the recognized stock exchange preceding the relevant date.

Day	Date	No. of Shares Traded	Total Turnover (INR)
1	23/05/2025	1,500	5,09,500
2	26/05/2025	500	1,70,000
3	27/05/2025	1,000	3,48,000
4	28/05/2025	1,500	5,21,750
5	29/05/2025	-	-
6	30/05/2025	500	1,77,000
7	02/06/2025	500	1,80,000
8	03/06/2025	-	-
9	04/06/2025	-	-
10	05/06/2025	4,000	13,79,525
11	06/06/2025	4,000	13,42,750
12	09/06/2025	1,500	5,02,500
13	10/06/2025	-	-
14	11/06/2025	1,000	3,30,000
15	12/06/2025	-	-
16	13/06/2025	-	-
17	16/06/2025	1,000	3,30,075
18	17/06/2025	1,000	3,45,775
19	18/06/2025	1,000	3,63,000
20	19/06/2025	-	-
21	20/06/2025	1,000	3,63,000
22	23/06/2025	500	1,75,000
23	24/06/2025	1,500	5,27,000

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24	25/06/2025	1,500	5,06,000
25	26/06/2025	500	1,67,500
26	27/06/2025	2,000	6,58,625
27	30/06/2025	2,500	8,20,025
28	01/07/2025	1,000	3,40,000
29	02/07/2025	1,000	3,56,925
30	03/07/2025	13,500	47,34,875
31	04/07/2025	1,500	5,32,000
32	07/07/2025	1,500	5,45,500
33	08/07/2025	2,000	7,70,800
34	09/07/2025	5,000	20,06,900
35	10/07/2025	2,000	8,33,400
36	11/07/2025	500	2,05,500
37	14/07/2025	-	-
38	15/07/2025	-	-
39	16/07/2025	-	-
40	17/07/2025	-	-
41	18/07/2025	-	-
42	21/07/2025	-	-
43	22/07/2025	-	-
44	23/07/2025	-	-
45	24/07/2025	-	-
46	25/07/2025	-	-
47	28/07/2025	-	-
48	29/07/2025	-	-
49	30/07/2025	-	-
50	31/07/2025	-	-
51	01/08/2025	-	-
52	04/08/2025	-	-
53	05/08/2025	-	-
54	06/08/2025	-	-
55	07/08/2025	-	-
56	08/08/2025	-	-
57	11/08/2025	-	-
58	12/08/2025	-	-
59	13/08/2025	-	-
60	14/08/2025	-	-
61	18/08/2025	-	-
62	19/08/2025	-	-
63	20/08/2025	-	-
64	21/08/2025	-	-
65	22/08/2025	-	-
66	25/08/2025	500	1,91,475
67	26/08/2025	2,000	7,30,700
68	28/08/2025	9,500	33,82,750
69	29/08/2025	7,500	26,85,850
70	01/09/2025	3,500	12,32,500
71	02/09/2025	3,000	10,57,500
72	03/09/2025	1,500	5,56,750
73	04/09/2025	3,500	12,64,550
74	05/09/2025	1,500	5,29,550
75	08/09/2025	5,000	16,97,600
76	09/09/2025	1,000	3,55,000
77	10/09/2025	500	1,77,500
78	11/09/2025	-	-

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Report for recommendation of share exchange ratio

79	12/09/2025	-	-
80	15/09/2025	5,500	18,80,175
81	16/09/2025	3,000	10,05,325
82	17/09/2025	2,000	7,11,750
83	18/09/2025	1,000	3,71,000
84	19/09/2025	2,000	7,33,000
85	22/09/2025	4,500	16,31,000
86	23/09/2025	500	1,83,825
87	24/09/2025	1,000	3,58,500
88	25/09/2025	6,500	22,42,675
89	26/09/2025	-	-
90	29/09/2025	1,000	3,50,000
Total		1,22,500	4,33,71,900
Volume Weighted Average Price			354.06

- ii. The 10 trading days' VWAP of related equity shares quoted on the recognized stock exchange preceding the relevant date

Day	Date	No. of Shares Traded	Total Turnover (INR)
1	16-Sep-25	3,000	10,05,325
2	17-Sep-25	2,000	7,11,750
3	18-Sep-25	1,000	3,71,000
4	19-Sep-25	2,000	7,33,000
5	22-Sep-25	4,500	16,31,000
6	23-Sep-25	500	1,83,825
7	24-Sep-25	1,000	3,58,500
8	25-Sep-25	6,500	22,42,675
9	26-Sep-25	-	-
10	29-Sep-25	1,000	3,50,000
Total		21,500	75,87,075
Volume Weighted Average Price			352.89

Minimum price prescribed under Regulation 164	INR per share
The 90 trading days' Volume Weighted Average Price ("VWAP") of related equity shares quoted on the recognized stock exchange preceding the relevant date	354.06
The 10 trading days' VWAP of related equity shares quoted on the recognized stock exchange preceding the relevant date	352.89
Higher of the above two considered as minimum price under Regulation 164	354.06

Annexure 3**MASTER COMPONENTS LIMITED****Comparable Companies Multiples Method ('CCM')**

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
*Earnings Per Share (EPS) (INR)	5.18	7.33	10.26
Weights	1	2	3
Weighted EPS (INR)	5.18	14.66	30.79
Weighted Average EPS (INR)			8.44
P/E Multiple			37.35
Value Per Share (INR)			315.21

** Based on audited financial statements and after adjusting the post tax effect of extra-ordinary items.*

P/E Ratio

Comparable Companies	P/E of comparable companies
Shaily Engineering Plastics Limited	88
Mitsu Chem Plast Ltd.	19
Bright Brothers Ltd.	22
B. D. Industries (Pune) Ltd	20
Average	37.35

* Source for P/E of comparable companies is data available on <https://www.screener.in/>

Annexure 4**MASTER COMPONENTS LIMITED****Discounted Cash Flow (DCF) Method****Annexure 4A****CALCULATION OF FREE CASH FLOWS AND FAIR VALUE PER SHARE**

MASTER COMPONENTS LIMITED						
(Previously Known as Master Components Private Limited)						
(All figures are in INR Lakhs unless otherwise stated)						
Particulars	2025-26	2026-27	2027-28	2028-29	2029-30	
Earnings before Tax	865.43	1,346.38	1,995.79	2,871.96	3,766.12	
Less: Income tax	217.74	338.75	502.14	722.59	947.55	
Add: Depreciation	379.30	439.30	509.30	584.30	659.30	
Cash flows from operations	1,026.98	1,446.93	2,002.95	2,733.67	3,477.86	
Add:						
(Purchase)/Sale of fixed assets	(600.00)	(600.00)	(700.00)	(750.00)	(750.00)	
(Increase)/Decrease in net working capital	(204.34)	(429.10)	(634.40)	(904.28)	(1,269.40)	
Free Cash flow to firm (FCFF)	222.64	417.83	668.55	1,079.39	1,458.46	
Terminal Value						26,595.56
Time factor	1.00	2.00	3.00	4.00	5.00	5.00
Discounting Factors @ 15.49%	0.87	0.75	0.65	0.56	0.49	0.49
NPV	192.78	313.25	433.99	606.70	709.80	12,943.52
Value of Operations						15,200.04
Add: Cash and Cash Equivalents as on Valuation Date						23.03
Enterprise value						15,223.07
Less: Debt as on Valuation date						-
Equity value						15,223.07
No of equity shares (Actual Number)						40,00,000
Value per share (INR)						380.58

Annexure 4B**CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL (WACC)****Calculation of Cost of Equity:**

Cost of Equity: It is derived using the **Capital Asset Pricing Model** and is calculated by using following calculation: **Rf + Beta * Equity Risk Premium**. The Risk-Free rate of return is considered based on yield on long term government securities.

Beta	0.63
Risk Free Return	6.58%
Market Return	14.38%
Risk Premium (Market Return less Risk-Free return)	7.80%
Cost of Equity using CAPM	11.49%
Add: Premium for company specific risk factors	4.00%
Cost of Equity	15.49%

- The Company does not have any outstanding long-term borrowings as on date of valuation. Further, as per discussions with management, there are no plans to borrow in the near future. Hence the debt equity ratio is zero and the WACC is the cost of equity.
- The Company is listed on NSE, we have considered beta available as per market data on public domain - *Source: Money control.com*.
- Risk Free rate of Return is return on RBI 10-year G-Sec bond rate yields.
- Market Return is derived from the BSE 500 S&P Index Returns since inception.
- Given the size of the company and other factors investors need to be compensated with additional returns and the track record of company, past performance, positive EBIDTA etc a risk premium has been applied for the same.

Annexure 4C
CALCULATION OF TERMINAL VALUE

<u>Particulars</u>	<u>Amount (INR Lakhs)</u>
Turnover (Turnover for FY 2029-30 plus Turnover growth rate)	14,470.05
EBITDA	4,658.68
Less: Depreciation	659.30
EBIT	3,999.39
Less: Tax	1,006.25
Debt Free Net Income	2,993.14
Add: Depreciation	659.30
Working Capital Changes	(202.77)
Capital Expenditure	(659.30)
Debt free cash flow at Terminal Period	2,790.37
(WACC% – Terminal period growth%)	10.49%
Terminal value (Debt free cash flow at Terminal Period / (WACC% – Terminal period growth%))	26,595.56

Terminal value assumptions

Particulars	%
Terminal period growth	5.00
Turnover Growth	5.00
EBITDA Margin (based on FY 2029-30)	33.20
Working capital as a % of operating revenue	29.43
Perpetuity capex (Rs. In Lakhs)	659.30
Income tax rate	25.16

- It has been assumed that after the explicit forecast period, the business will continue to grow at the rate of 5.00% p.a. considering the business growth forecasts by the management, the growth rate of industry and Indian economy over long-term period and expected inflation.
- It is assumed that the EBITDA margin for FY 2029-30 will be maintained in the future years.
- Working capital as a percentage of operating revenue is assumed to be based on the same levels as projected in FY 2029-30.
- It is assumed that Capital expenditures will be offset by depreciation.
- Income tax rate is based on the prevailing corporate tax rate in India.

SAYALI DESHKAR

Chartered Accountant & Registered Valuer (IBBI)

Report for recommendation of share exchange ratio

Annexure 5

MASTER MOULDS PRIVATE LIMITED

Net Asset Value (NAV) method

MASTER MOULDS PRIVATE LIMITED	
CALCULATION OF FAIR VALUE OF EQUITY SHARES BASED ON THE NET ASSETS METHOD UNDER COST APPROACH BASED ON THE AUDITED FINANCIAL STATEMENTS AS ON 31.03.2025	
Particulars	As on 31 st March 2025 INR (in Lakhs unless specified)
Assets:	
Non-current assets	
Property Plant & equipment & Intangible assets	
Property Plant & Equipment	314.00
Non-current investments	1.00
Other non-current assets	2.96
Current assets	
Inventories	310.26
Trade receivables	81.94
Cash and cash equivalents	114.52
Short-term loans and advances	66.25
Other current assets	1.86
Total Assets	892.79
Liabilities	
Non-current liabilities	
Long-term borrowings	9.81
Deferred tax liabilities (Net)	4.28
Current liabilities	
Short-term borrowings	50.54
Trade payables	5.25
Other current liabilities	266.74
Short-term provisions	15.68
Total Liabilities	352.31
Net Assets	540.49
Less: Miscellaneous Expenses	-
Net Assets Value	540.49
Number of Equity shares (Actual in Numbers)	30,000
NAV Per share (INR)	1,801.62

SAYALI DESHKAR

Chartered Accountant & Registered Valuer (IBBI)

Report for recommendation of share exchange ratio

Annexure 6

MASTER MOULDS PRIVATE LIMITED

Comparable Companies Multiples Method ('CCM')

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
*Earnings Per Share (EPS) (INR)	184.20	304.94	550.61
Weights	1	2	3
Weighted EPS (INR)	184.20	609.88	1,651.84
Weighted Average EPS (INR)			407.65
P/E Multiple			37.35
Value Per Share (INR)			15,225.83
#Illiquidity Discount 5%			761.29
Value Per Share (INR)			14,464.54

* Based on audited financial statements

A discount of 5% has been deducted considering illiquidity of the shares

P/E Ratio

Comparable Companies	P/E of comparable companies
Shaily Engineering Plastics Limited	88
Mitsu Chem Plast Ltd.	19
Bright Brothers Ltd.	22
B. D. Industries (Pune) Ltd	20
Average	37.35

* Source for P/E of comparable companies is data available on <https://www.screener.in/>

Annexure 7**Discounted Cash Flow (DCF) Method****Annexure 7A****CALCULATION OF FREE CASH FLOWS AND FAIR VALUE PER SHARE**

MASTER MOULDS PRIVATE LIMITED						
(All figures are in INR Lakhs unless otherwise stated)						
Particulars	2025-26	2026-27	2027-28	2028-29	2029-30	
Earnings before Tax	328.77	496.81	744.16	1,151.16	1,843.98	
Less: Income tax	82.72	125.00	187.23	289.63	463.95	
Add: Depreciation	32.95	39.66	50.69	65.62	79.06	
Cash flows from operations	279.00	411.47	607.62	927.15	1,459.09	
Add:						
(Purchase)/Sale of fixed assets	(15.50)	(100.00)	(150.00)	(200.00)	(200.00)	
(Increase)/Decrease in net working capital	(210.52)	(204.43)	(248.05)	(346.61)	(539.88)	
Free Cash flow to firm (FCFF)	52.99	107.04	209.58	380.54	719.21	
Terminal Value						9,320.78
Time factor	1.00	2.00	3.00	4.00	5.00	5.00
Discounting Factors @ 20.67%	0.83	0.69	0.57	0.47	0.39	0.39
NPV	43.91	73.51	119.26	179.45	281.05	3,642.32
Value of Operations						4,339.50
Add: Investment as on Valuation date						1.00
Add: Cash and Cash Equivalents as on Valuation Date						114.52
Enterprise value						4,455.01
Less: Debt as on Valuation date						-
Equity value						4,455.01
No of equity shares (Actual Number)						30,000
Value per share (INR)						14,850.05

Annexure 7B**CALCULATION OF WEIGHTED AVERAGE COST OF CAPITAL (WACC)****Calculation of Cost of Equity:**

Cost of Equity: It is derived using the **Capital Asset Pricing Model** and is calculated by using following calculation: **Rf + Beta * Equity Risk Premium**. The Risk-Free rate of return is considered based on yield on long term government securities.

Beta	1.04
Risk Free Return	6.58%
Market Return	14.38%
Risk Premium (Market Return less Risk-Free return)	7.80%
Cost of Equity using CAPM	14.67%
Add: Risk Premium for non-marketability of securities	3.00%
Add: Premium for company specific risk factors	3.00%
Cost of Equity	20.67%

- The Company does not have any outstanding long term borrowings as on date of valuation. Further, as per discussions with management, there are no plans to borrow in the near future. Hence the debt equity ratio is zero and the WACC is the cost of equity.
- We have identified few Market Peers operating in similar business models. We have levered the beta of the identified companies based on their debt equity ratios as on 31st March 25 to calculate unlevered beta. We have taken an average of the unlevered betas to arrive at the beta of 1.04 –

Name of Market Peer	Levered Beta	Weight of Debt	Weight of Equity	Unlevered beta
Shaily Engineering Plastics Ltd	1.26	25.52	74.48	1.02
Kingfa Science and Technology Ltd	1.10	5.10	94.90	1.06
Average unlevered beta				1.04

- Risk Free rate of Return is return on RBI 10-year G-Sec bond rate yields.
- Market Return is derived from the BSE 500 S&P Index Returns since inception.
- Given the size of the company, illiquidity and other factors investors need to be compensated with additional returns and the track record of company, past performance, positive EBIDTA etc a risk premium has been applied for the same.

Annexure 7C
CALCULATION OF TERMINAL VALUE

Particulars	Amount (INR Lakhs)
Turnover (Turnover for FY 2029-30 plus Turnover growth rate)	5,165.75
EBITDA	2,040.65
Less: Depreciation	79.06
EBIT	1,961.59
Less: Tax	493.54
Debt Free Net Income	1,468.05
Add: Depreciation	79.06
Working Capital Changes	(100.30)
Capital Expenditure	(79.06)
Debt free cash flow at Terminal Period	1,367.76
(WACC% – Terminal period growth%)	14.67%
Terminal value (Debt free cash flow at Terminal Period / (WACC% – Terminal period growth%))	9,320.78

Terminal value assumptions

Particulars	%
Terminal period growth	6.00
Turnover Growth	6.00
EBITDA Margin (based on FY 2029-30)	39.50
Working capital as a % of operating revenue	34.30
Perpetuity capex (Rs. In Lakhs)	79.06
Income tax rate	25.16

- It has been assumed that after the explicit forecast period, the business will continue to grow at the rate of 6.00% p.a. considering the business growth forecasts by the management, the growth rate of industry and Indian economy over long-term period and expected inflation.
- It is assumed that the EBITDA margin for FY 2029-30 will be maintained in the future years.
- Working capital as a percentage of operating revenue is assumed to be based on the same levels as projected in FY 2029-30.
- It is assumed that Capital expenditures will be offset by depreciation.
- Income tax rate is based on the prevailing corporate tax rate in India.