

**VALUATION REPORT**  
**OF**  
**CRANEX LIMITED**

*(Strictly privileged and confidential)*

**Purpose** : **Issue of Convertible Warrants on Preferential basis**

**Contact us at:**

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Reference No.: - RV/SFA/SEP/2024/02

Date: September 03, 2024

To,  
The Board of Directors  
**CRANEX LIMITED**  
CIN: L74899DL1973PLC006503  
R.O.: 9 DDA Marketkatwaria Sarai,  
Delhi, India- 110016

**Sub: Valuation report on fair value of equity shares as required for the purpose of issue of warrants convertible into equity shares, on preferential basis as required under Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.**

Dear Sir/ Madam,

I refer to the appointment letter, whereby, the management of Cranex Limited, referred as (“**Company**” or “**CRANEX**”) has appointed Mr. Manish Manwani (“**Registered Valuer**” or “**RV**” or “**I**”) as the Registered Valuer, for evaluation of fair value of equity shares of the Company. I understand that valuation analysis has been required by the management of the Company for the purpose of compliance with the regulatory provisions of the Companies Act, 2013 (“**Companies Act**”) read with applicable rules framed thereunder and Regulation 164 and 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended) (“**SEBI (ICDR) Regulations**”).

This cover letter is intended to provide you with an overview of the purpose and scope of my analysis and my conclusions. Please refer to the attached report for a discussion and presentation of the analysis performed in connection with this assignment.

### **Purpose and Scope**

Based on my discussions with the management of CRANEX, I understand that the management of the Company wishes to do preferential allotment of warrants convertible into equity shares. In this regard, the management of the Company is required to determine the fair value of equity shares, to comply with the requirements laid down under the applicable provisions of the Companies Act, 2013 read with applicable rules framed thereunder and Regulation 164 and 166A of Chapter V of SEBI (ICDR) Regulations.

In this regard, the management of CRANEX requires a report on valuation of equity shares of CRANEX carried out by a "Registered Valuer" (as defined in Companies Registered Valuers and Valuation Rules, 2017). I understand that this analysis and valuation report will be used by the management of CRANEX for necessary regulatory compliances as stated above.

The Report has been prepared exclusively for specified purposes as mentioned above, and except for the compliances to be made in SEBI (ICDR) Regulations, should not be used for any other purpose without obtaining the prior written consent of the Registered Valuer. This opinion should not be considered, in whole or in part, as investment advice by anyone.

## Summary of Findings

Based on my valuation analysis of the Company, in my assessment, the fair value per equity share of the Company works out to **INR 101.34/-**. For detailed working kindly refer Section III of this report.



MANISH MANWANI

CS & Registered Valuer -SFA

IBBI Registration No: IBBI/RV/03/2021/14113

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## I. ENGAGEMENT OVERVIEW

### 1.1 Purpose and Scope

Based on my discussions with the management of Cranex Limited (“Company” or “CRANEX”), I understand that the Company wishes to do preferential allotment of warrants convertible into equity shares of the Company and has appointed Mr. Manish Manwani (“Registered Valuer” or “RV” or “I”) as the Registered Valuer, to determine the fair value of equity shares of the Company, to comply with the requirements laid down under the applicable provisions of the Companies Act, 2013 read with applicable rules framed thereunder and Regulation 164 and 166A of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended) (“SEBI (ICDR) Regulations”).

### 1.2 About the Valuer

Mr. Manish Manwani is an associated member of The Institute of Company Secretaries of India and also registered with Insolvency and Bankruptcy Board of India “IBBI” as a Registered Valuer under Securities or Financial Assets Class, having IBBI Registration No. IBBI/RV/03/2021/14113.

### 1.3 Bases of Value (Standard of Value)

Value has no meaning until it is defined. In the valuation nomenclature different definitions of value are called bases of value (or standard of value). In terms of IVS (International Valuation Standards), ‘bases of value’ describe the fundamental premises on which the estimate of values is based. In any valuation it is important that the basis (or bases) of value be appropriate to the terms and purpose of the valuation assignment, as a basis of value may influence or dictate a valuer’s selection of methods, inputs and assumptions, and the ultimate opinion of value. The different value conclusion can be attributed to the differences in the definition of value.

In terms of IVS, a valuer is required to select the basis of value and this is typically done based on the definition given in statute, regulation, private contract or another document. The applicable basis of value (or standard of value) for the assignment is the Fair Value.

The term ‘Fair Value’ has been defined in IVS 102 as under:

*“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”.*

## 1.4 Premise of Value

Premise of value refers to the conditions and circumstances how an asset is deployed. Determining the business value depends upon the situation in which the business or a business interest is valued, i.e. the events likely to happen to the business as contemplated at the valuation date. In a given set of circumstances, a single premise of value may be adopted while in some situations multiple premises of value may be adopted.

The present valuation of CRANEX is undertaken on a **Going Concern Premise** i.e. on the premise that the company will continue to operate in future and earn cash flows.

## 1.5 Scope of Analysis

My scope of valuation includes fair valuation of equity shares of CRANEX, certify fair value as arrived for the above-mentioned necessary regulatory compliances in relation to the Companies Act and SEBI ICDR Regulations.

## 1.6 Information Relied Upon

I have based this opinion on information provided and represented by the management of CRANEX. I have fully relied on the information provided by the Company and do not vouch for the accuracy of the information provided by the management of the Company.

- Discussion with management concerning its assets, financial and operating history of the Companies.
- Unaudited financial results for the period ended as on June 30, 2024.
- Audited financial statements for FY 2023-24, 2022-23 and 2021-22.
- Other relevant details such as its history, present activities and other information (including verbal) as required from time to time.

I have also obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the client or other public available sources.

## 1.7 Valuation Date

For the fair valuation analysis, the valuation date has been considered August 30, 2024, with cutoff date for financial being un-audited results as of June 30, 2024 and audited financial statement as of March 31, 2024, being the Company's latest financial statements, publicly accessible as of the signing date of this valuation report and August 30, 2024 being the relevant date has been considered as cut-off date for the fair value data.

## 1.8 Conflict of Interest

I have acted as an Independent Registered Valuer and there is no conflict of interest in my opinion on valuation analysis of the businesses as envisaged in this report. My fee is not contingent upon the opinion expressed herein. This report is subject to the terms and conditions as discussed with the management of CRANEX.

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## II COMPANY OVERVIEW<sup>1</sup>

### Company Background- Cranex Limited

Cranex Limited is a listed Company and was incorporated on February 27, 1973. The registered office of the Company is situated at 9 DDA Marketkatwaria Sarai, Delhi, India, 110016.

### Business Overview of the Company: -

The Company is primarily engaged in the business of manufacturing and selling cranes and their parts.

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<sup>1</sup> Source: Website of the Company and Information provided by the management.

## III VALUATION APPROACH AND METHODOLOGY

### 3.1 Valuation Approaches

Valuation of a business is not an exact science and ultimately 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:

- whether the entity is listed on a stock exchange
- industry to which the Company belongs.
- past track record of the business and the ease with which the growth rate in cash flows to perpetuity can be estimated.
- Extent to which industry and comparable company information is available.

The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue. These approaches can be broadly categorized as follows:

1. Asset Approach
2. Income Approach
3. Market Approach

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## 3.1.1 Asset Approach

This method determines the worth of a business by the assets it possesses. It involves examining every asset held by the company, both tangible and intangible. The value of intangibles is referred to as the company's goodwill, the difference in value between the company's hard assets and its true value.

The value arrived at under this approach is based on the financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The Net Asset Value is generally used as the minimum break-up value for the transaction since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern. Pursuant to accounting convention, most assets are reported on the books of the subject company at their acquisition value, net of depreciation where applicable. These values must be adjusted to fair market value wherever possible. Further, the balance sheet values are to be adjusted for any contingent liabilities that are likely to materialize.

Intrinsic value is at the core of fundamental analysis since it is used in an attempt to calculate the value of the total assets of the business and then compare it with the fair value.

## 3.1.2 Income Approach

The income approaches determine fair market value by dividing the benefit stream generated by the subject or target company by a discount or capitalization rate. Usually, under the Income Based Approach, the methods that may be applied are Discounted Cash Flow (DCF) Method or the Price Earning Capacity (PECV) Method.

Under DCF approach, the future free cash flows of the business are discounted to the valuation date to arrive at the present value of the cash flows of the business or capitalized using a discount rate depending on the capital structure of the Company. This approach also takes into account the value of the business in perpetuity by the calculation of terminal value using the exit multiple method or the perpetuity growth method, whichever is appropriate.

Under PECV method, the average earning on the basis of the past 3-5 years is first determined, adjustments are then made for any exceptional transactions or items of non-recurring nature. The adjusted average earnings are then capitalized at an appropriate rate to arrive at the value of business. The capitalization rate so factored has to be decided depending upon various factors such as the earnings trends in the industries. P/E prevailing in the industries etc. After this, the normalized earnings are then capitalized at an appropriate discount rate.

### 3.1.3 Market Approach

#### The Market Approach

Under the Market approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors' perception about the true worth of the company.

#### Market Price ('MP') Method

Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.

#### Comparable Companies Multiple Method

Under the Comparable Companies Multiple ('CCM') method, the value is determined on the basis of multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. 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.

Each of the described approaches may be used to develop a value indication; however, the appropriateness of these approaches varies with the type of business or asset being valued.

### 3.2 Valuation Methodology Used

#### **Asset Approach:**

I have considered Net Asset Value (NAV) Method for determining the fair value of the equity shares of the Company and have assigned weight to determine the fair value.

## Income Approach:

The projected financial statements of a Company are price sensitive in nature and the same were not made available to me for the fair valuation analysis therefore, I have not applied Discounted Free Cash Flow Method.

Further, I have considered Profit Earning Capitalization Value (PECV) Method for valuation analysis and weight have been assigned to determine the fair value of the equity shares.

## Market Approach:

I have applied Comparable Companies' Multiple "CCM" method and Market Price Method for determination of fair value of the Company and assigned weights to determine fair value of the equity shares.

### A Comprehensive Overview on Approaches applied:

Asset Approach	Market Approach	Income Approach
Net Asset Value Method	CCM/ Market Price Method	PECV
Applied	Applied	Applied

#### I. Asset Approach -Net Asset Value Method:

Net Asset value is computed by subtracting total outstanding liabilities from the total book value of assets of the Company. I have applied Net Asset Value Method to compute fair value, as under:

Computation of Net Asset Value of Cranex Limited as on 31 March 2024	
Particulars	Figures in INR Lakh
<b>Non-Current Assets:</b>	
Property, Plant & Equipment	600.10
Investment in Joint Venture <sup>1</sup>	196.07
Financial Assets	
Non-Current Investment <sup>2</sup>	0.01
Long Term Loans and Advances	-
Other Financial Assets	407.86
Deferred Tax Assets (Net)	-
Other Non-Current Assets	2.58
<b>Current Assets:</b>	
Inventories	1,131.14
Financial Assets	
Trade Receivables	2,704.57
Cash and Cash Equivalents	1.34
Other Bank Balance	145.68

# MANISH MANWANI

Registered Valuer (Securities or Financial Assets)  
IBBI Registration No.: IBBI/RV/03/2021/14113

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Itech Park, Sohna Road, Sector-49,  
Gurugram, Haryana-122018  
Email: [manishmanwani74@gmail.com](mailto:manishmanwani74@gmail.com)

Loans and Advances	-
Other Financial Assets	148.73
Current Tax Assets (Net)	-
Other Current Assets	190.07
<b>Total Assets</b>	<b>5,528.15</b>
<b>Non-Current Liabilities:</b>	
Financial Liabilities	
Borrowings	-
Other Non-Current Liabilities	650.97
Provisions	52.62
Deferred Tax Liabilities (Net)	31.00
<b>Current Liabilities:</b>	
Financial Liabilities	
Short Term Borrowings	2,056.03
Trade Payable	1,303.82
Other Financial Liabilities	155.59
Other Current Liabilities	171.69
Provisions	17.26
Current Tax Liabilities (Net)	4.94
<b>Total Liabilities</b>	<b>4,443.92</b>
<b>Net Asset Value</b>	<b>1,084.23</b>
Less: Contingent Liabilities <sup>^3</sup>	25.75
<b>Net Asset Value Post Adjustment</b>	<b>1,058.48</b>
Total Number of Shares (in Lakh)	60
<b>Net Asset Value Per Share</b>	<b>17.64</b>

<sup>^1</sup>. As of the valuation date, the Company has investment in Joint Ventures and such investments have been considered on fair value based on information/data provided by the management of the Company for evaluation fair value of equity shares of the Company.

<sup>^2</sup>. Further, the Company has a meager investment in unquoted equity shares, and I have considered such investment in book value for computation of fair value of the Company.

<sup>^3</sup>. As per Management, the contingent liabilities amount to INR 25.75/- Lakh, to be crystallized.

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**II. A) Market Approach – Comparable Companies Multiple Method**

Comparable Companies Multiple Method is a relative valuation method under this a company's value is assessed from comparisons of similar companies available in the market. I have applied Price to Earning (P/E) and Enterprise Value to EBITDA (EV/EBITDA) multiples for computation of fair value, which are as under:

**a) Price to Earnings Multiple***Amount in INR Lakh except stated otherwise*

PAT for June 30, 2024 (TTM Basis)	156.73
Price to Earnings Multiple*	43.68x
<b>Equity Value</b>	<b>6,846.12</b>

**b) Enterprise Value to EBITDA Multiple***Amount in INR Lakh except stated otherwise*

EBITDA for June 30, 2024 (TTM Basis)	422.79
Enterprise Value to EBITDA Multiple*	20.38x
<b>Enterprise Value</b>	<b>8,615.57</b>
Add: Cash & Cash Equivalent	147.02
Add: Surplus Asset	551.38
Less: Debt & Equivalent	2,056.03
<b>Equity Value</b>	<b>7,257.94</b>

\*Note: Details of Comparable Companies are as follows:

Sr No.	Company	P/E	EV/EBITDA
1.	Brady & Morris Engineering Company Ltd	30.43x	20.38x
2.	Hercules Hoists Ltd	50.11x	17.06x
3.	Action Construction Equipment Ltd	43.68x	28.19x

**CONCLUDED VALUED THROUGH CCM METHOD***Amount in INR Lakhs except otherwise stated*

Particulars	Equity Value	Weight	Product
Equity value (P/E)	6,846.12	0.50	3,423.06
Equity Value (EV/EBITDA)	7,257.94	0.50	3,628.97
<b>Weighted Average Equity Value</b>			<b>7,052.03</b>
Total Nos. of Shares (in Lakh)			60
<b>Fair Value per Share (in INR)</b>			<b>117.53</b>

## B). Market Approach -Market Price Method

As the equity shares of CRANEX are listed on BSE Limited ("Stock Exchange") and are frequently traded shares as per sub regulation 5 of regulation 164 of SEBI (ICDR) Regulations, therefore the pricing guidelines of Regulation 164 of SEBI (ICDR) Regulations have been relied upon for valuing the equity shares of the Company under the Market Price Method.

SEBI (ICDR) Regulations, provides following guidelines for pricing of the Preferential issue of frequently traded shares:

If the equity shares of the issuer have been listed on a recognized stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than **higher** of the following:

- a. the 90 trading days' volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date; or
- b. the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognized stock exchange preceding the relevant date.

### *Explanation:*

(a) For the purpose of this regulation, 'stock exchange' means any of the recognized stock exchange(s) in which the equity shares of the issuer are listed and in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the relevant date.

(b) "Relevant date" in case of preferential issue of equity shares means, the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue.

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I have carried out valuation as per SEBI (ICDR) Regulations, which is as following:

- A. Volume Weighted Average Price (VWAP) for a period of 90 trading days of the equity shares of CRANEX quoted on BSE Limited (*being the only stock exchange where the shares are listed*) during the last 90 trading days preceding the Relevant date i.e. August 30, 2024.

**Volume Weighted Average Price = Sum of Total Value ÷ Total Volume**

$$101.34 = 1,349,999 \div 136,803,694$$

DATE	VOLUME	VALUE
29-Aug-24	25,597	2,625,836
28-Aug-24	61,148	5,931,251
27-Aug-24	24,136	2,212,593
26-Aug-24	19,684	1,770,053
23-Aug-24	20,858	1,877,314
22-Aug-24	3,626	323,984
21-Aug-24	16,675	1,472,260
20-Aug-24	4,952	419,627
19-Aug-24	12,825	1,118,541
16-Aug-24	9,982	822,450
14-Aug-24	19,930	1,691,453
13-Aug-24	3,023	272,872
12-Aug-24	4,104	378,677
09-Aug-24	11,125	1,040,531
08-Aug-24	35,102	3,221,145
07-Aug-24	3,757	350,227
06-Aug-24	1,079	102,634
05-Aug-24	4,655	451,814
02-Aug-24	8,660	857,164
01-Aug-24	11,209	1,087,776
31-Jul-24	5,921	563,679
30-Jul-24	4,657	434,730
29-Jul-24	17,595	1,610,822
26-Jul-24	12,449	1,110,821
25-Jul-24	9,211	810,224
24-Jul-24	4,004	351,995
23-Jul-24	2,672	236,003
22-Jul-24	4,715	422,890
19-Jul-24	1,749	162,092
18-Jul-24	4,805	447,910
16-Jul-24	3,251	300,067
15-Jul-24	4,677	440,922
12-Jul-24	3,336	321,108
11-Jul-24	5,930	580,481

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Gurugram, Haryana-122018  
Email: [manishmanwani74@gmail.com](mailto:manishmanwani74@gmail.com)

10-Jul-24	1,955	193,852
09-Jul-24	6,671	668,100
08-Jul-24	1,429	146,201
05-Jul-24	1,404	147,594
04-Jul-24	14,568	1,538,032
03-Jul-24	2,231	240,230
02-Jul-24	4,721	518,184
01-Jul-24	12,347	1,390,805
28-Jun-24	40,387	4,570,460
27-Jun-24	58,666	6,476,171
26-Jun-24	38,085	4,004,173
25-Jun-24	54,496	5,804,640
24-Jun-24	22,594	2,601,461
21-Jun-24	33,966	3,970,625
20-Jun-24	19,392	2,258,362
19-Jun-24	7,347	815,370
18-Jun-24	15,495	1,622,333
14-Jun-24	3,161	320,974
13-Jun-24	2,779	281,362
12-Jun-24	3,249	334,574
11-Jun-24	4,482	456,140
10-Jun-24	5,262	527,098
07-Jun-24	11,262	1,112,390
06-Jun-24	24,583	2,409,382
05-Jun-24	20,709	1,930,178
04-Jun-24	12,276	1,128,191
03-Jun-24	48,862	4,696,605
31-May-24	39,587	3,608,638
30-May-24	7,836	697,879
29-May-24	8,808	782,628
28-May-24	4,738	420,317
27-May-24	3,345	297,565
24-May-24	3,293	288,630
23-May-24	3,724	329,833
22-May-24	2,387	214,023
21-May-24	12,279	1,089,768
18-May-24	564	51,343
17-May-24	11,867	1,051,277
16-May-24	4,006	369,834
15-May-24	10,956	999,631
14-May-24	19,159	1,715,385
13-May-24	10,697	908,421
10-May-24	17,751	1,554,373
09-May-24	9,947	897,717
08-May-24	10,981	963,056
07-May-24	24,984	2,249,681

# MANISH MANWANI

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Gurugram, Haryana-122018  
Email: [manishmanwani74@gmail.com](mailto:manishmanwani74@gmail.com)

06-May-24	7,171	676,755
03-May-24	14,236	1,384,944
02-May-24	11,951	1,207,811
30-Apr-24	16,531	1,695,179
29-Apr-24	11,266	1,212,167
26-Apr-24	12,627	1,431,575
25-Apr-24	15,640	1,756,075
24-Apr-24	21,840	2,406,725
23-Apr-24	53,787	6,263,178
22-Apr-24	118,563	14,293,853
<b>Total</b>	<b>1,349,999</b>	<b>136,803,694</b>
<b>'90 Trading Days' Volume Weighted Average Price Preceding Relevant i.e. August 30, 2024</b>		<b>101.34</b>

B. Volume Weighted Average Price (VWAP) for a period of 10 trading days of the equity shares of CRANEX quoted on BSE Limited (*being the only stock exchange where shares are listed*) during the last 10 trading days preceding the Relevant date i.e. August 30, 2024.

***Volume Weighted Average Price = Sum of Total Value ÷ Total Volume***

$$93.11 = 199,483 \div 18,573,909$$

Date	VOLUME	VALUE
29-Aug-24	25,597	2,625,836
28-Aug-24	61,148	5,931,251
27-Aug-24	24,136	2,212,593
26-Aug-24	19,684	1,770,053
23-Aug-24	20,858	1,877,314
22-Aug-24	3,626	323,984
21-Aug-24	16,675	1,472,260
20-Aug-24	4,952	419,627
19-Aug-24	12,825	1,118,541
16-Aug-24	9,982	822,450
<b>Total</b>	<b>199,483</b>	<b>18,573,909</b>
<b>10 Trading Days' Volume Weighted Average Price Preceding Relevant Date i.e. August 30, 2024</b>		<b>93.11</b>

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**III. Income Approach -Profit Earning Capitalization Method "PECV"**

Profit Earning Capitalization Value method is one of the traditional methods of business valuation whereby maintainable future profits are ascertained on the basis of past earnings (suitably adjusted for any changes in the key parameters) which are then capitalized at a discounting rate.

I have considered PECV Method for valuation analysis and the calculation is as under:

*Amount in INR Lakhs except stated otherwise*

Particulars	Amount	Weight	Product
<b>Profit Before Exceptional and Extraordinary Items &amp; Tax:</b>			
30-Jun-24 (TTM)	223.72	1	223.72
30-Jun-23 (TTM)	131.54	1	131.54
30-Jun-22 (TTM)	85.53	1	85.53
<b>Weighted Average PBT</b>			<b>146.93</b>
Marginal Tax		25.17%	36.98
<b>Weighted Average PAT</b>			<b>109.95</b>
Capitalization Rate			17.15%
<b>Business Value (in INR Lakh)</b>			<b>640.95</b>
Add: Surplus Assets			551.38
<b>Fair Value</b>			<b>1,192.33</b>
Total No. of Equity Shares (in Lakhs)			60.00
<b>Fair Value Per Share (in INR)</b>			<b>19.87</b>

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## IV. VALUATION SUMMARY

In terms of the first Proviso to the Sub-Regulation 1 of Regulation 166A read with Sub-Regulation (1) of Regulation 164 of the SEBI (ICDR) Regulations and by using the valuation Parameters, the following is the valuation analysis of the equity shares of the Company:

*Amount in INR Lakhs except weights*

Valuation Approach	Methodology	Value Per Share	Weight *	Product
Asset Approach	Book Value Method	17.64	0.25	4.41
Income Approach	PECV	19.87	0.25	4.97
Market Approach	CCM	117.53	0.25	29.38
	Market Price <sup>#</sup>	101.34	0.25	25.33
<b>Fair Value per Share</b>				<b>64.10</b>

\*The final indication of value, on a going concern basis, is generally one number computed from a variety of analytical procedures and one or more of the three valuation methods discussed above. As per the guidelines prescribed under International Valuation Standards, the goal in selecting the valuation approaches and methods for an asset is to find the most appropriate method under the particular circumstances. No one method is suitable in every possible situation. The selection process should consider, at a minimum:

- the appropriate basis(s) of value and premise(s) of value, determined by the terms and purpose of the valuation assignment,
- the respective strengths and weaknesses of the possible valuation approaches and methods,
- the appropriateness of each method in view of the nature of the asset, and the approaches or methods used by participants in the relevant market, and

Further, in assessing the fair value of a share, it is important to consider various valuation approaches to obtain a comprehensive and reliable estimate.

<sup>#</sup>For Market Price the value has considered **higher** of the following:

- the 90 trading days' volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date; or
- the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognized stock exchange preceding the relevant date.

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## V. VALUATION CONCLUSION

### Regulation 166A of SEBI (ICDR) Regulations

*Any preferential issue, which may result in a change in control or allotment of more than five per cent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price:*

*Provided that the floor price, in such cases, shall be higher of the floor price determined under sub regulation (1), (2) or (4) of regulation 164, as the case may be, or the price determined under the valuation report from the independent registered valuer or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable:*

*Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso.*

In light of the above and after consideration of all the relevant factors and circumstances as discussed and outlined in this report, in my assessment, the floor price per equity share of the Company works out to **INR 101.34/-**.

Sr. No.	Particulars	Value Per Share (in INR)
1	Floor Price in terms of First Proviso to Regulations 166A (1) of SEBI (ICDR) Regulations	64.10
2	Floor Price in terms of Regulations 164 (1) of SEBI ICDR Regulations	101.34

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## V CAVEATS AND LIMITATIONS

### 5.1 Purpose and Distribution of Report

The report prepared by the valuer is prepared solely for the purpose as discussed with the management of CRANEX and should not be used for any other purpose. Except as specifically stated in the report prepared by valuer, the report and its contents may not be quoted or referred to, in whole or in part, in any registration statement, prospectus, public filing, loan agreement, or other agreement or document without the prior written approval of valuer. Except as set forth in this report, the report is prepared for CRANEX / Client use only and may not be reproduced or distributed to any third parties without valuer's prior written consent.

### 5.2 Scope of Analysis

The appraisal of any financial instrument or business is a matter of informed judgment. The accompanying appraisal has been prepared on the basis of information and assumptions set forth in the attached report, its appendices, our underlying work papers, and these limiting conditions and assumptions.

### 5.3 Nature of Opinion

Neither the opinion nor the report provided or prepared by the RV are to be construed as a fairness opinion as to the fairness of an actual or proposed transaction, a solvency opinion, or an investment recommendation, but, instead, are the expression of RV's determination of the fair value of assets between a hypothetical willing buyer and a hypothetical willing seller in an assumed transaction on an assumed valuation date. For various reasons, the price at which the assets might be sold in a specific transaction between specific parties on a specific date might be significantly different from the fair market value as expressed in my report.

### 5.4 Basis of analysis and Assumptions considered

Registered Valuer's analysis:

- a) is based on the present financial condition of CRANEX assets as of the valuation date;
- b) assumes that as of the valuation date the Client and its assets will continue to operate as configured as a going concern;
- c) assumes 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 owners' participation would not be materially or significantly changed; and
- d) assumes that CRANEX had no undisclosed real or contingent assets or liabilities, no unusual obligations or substantial commitments, other than in the ordinary course of business, nor had

any litigation pending or threatened that would have a material effect on our analysis other than those considered for valuation calculation.

## 5.5 Verification of Information Provided

With the exception of any audited financial statements provided to the RV, the RV has relied on information supplied by CRANEX without audit or verification. The RV have assumed that all information furnished is complete, accurate and reflects Client's management's good faith efforts to describe the status and prospects of the Client at the valuation date from an operating and a financial point of view. As part of this assignment, the RV has relied upon publicly available data from recognized sources of financial, industry, or statistical information, which have not been verified.

## 5.6 Subsequent Events

The terms of RV as discussed with the management of the Company are such that the valuer has no obligation to update this report or to revise the valuation because of events and transactions occurring subsequent to the date of the valuation unless the RV is engaged to provide valuations in the future.

## 5.7 Legal Matters

The RV assumes no responsibility for legal matters including interpretations of either the law or contracts. The RV has made no investigation of legal title and has assumed that all owners' claims to property are valid. The RV has given no consideration to liens or encumbrances except as specifically stated in financial statements provided to us. The RV have assumed that all required licenses, permits, etc. are in full force and effect. The RV assumes that all applicable federal, state, local zoning, environmental and similar laws and regulations have and continue to be complied with by Client. The RV assumes no responsibility for the acceptability of the valuation approaches used in my report as legal evidence in any particular court or jurisdiction. The suitability of RV's report and opinion for any legal forum is a matter for Client and Client's legal advisor to determine.

## 5.8 Testimony

The RV and its employees, consultants and agents shall not provide any testimony or appear in any legal proceeding unless the valuer coordinates such testimony.