

# **GENNEX LABORATORIES LIMITED**

**Fair Value of Equity Shares as on 30<sup>th</sup> November 2023**



2<sup>nd</sup> December 2023

The Board of Directors  
Gennex Laboratories Limited  
Akash Ganga, 03<sup>rd</sup> Floor, Plot No. 144,  
Srinagar Colony, Hyderabad  
Telangana: 500073

Dear Sir,

**VALUATION OF EQUITY SHARES OF GENNEX LABORATORIES LIMITED**

In terms of my engagement letter, valuation of equity shares of Gennex Laboratories Limited (the Company/GLL) for the purpose of preferential allotment of Equity shares by the Company in accordance with Regulation 164 and 166A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 has been duly carried out.

The valuation report is intended solely for the use by the Addressee of the report and my recommendation is based on the events and circumstances prevailing as on 30<sup>th</sup> November 2023.

I have performed a valuation engagement and presented my valuation report in conformity with the ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India (ICAI).

My analysis and recommendation should be understood in the context of the assumptions and the statements made in this report.

A more detailed description of the quantitative and qualitative analyses and valuation conclusion is presented in the attached narrative valuation opinion report.

Based on the assumptions and limiting conditions as described in this report, as well as the facts and circumstances as on the valuation date, it is concluded that the fair value of one equity share of Gennex Laboratories Limited of Rs. 1/- each as on 30<sup>th</sup> November 2023 is **Rs. 14.72/-**

A detailed valuation report is appended herewith.

Yours faithfully,

*Madhumita Karar*



Madhumita Karar  
Registered Valuer- Securities or Financial Assets  
IBBI/RV/06/2018/10341  
UDIN: 23067844BGXSSF5782



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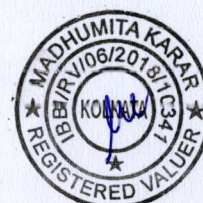
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## Executive Summary

<b>Client Identity:</b>	Gennex Laboratories Limited is a Public Company incorporated on 29th March 1990 having Corporate Identification No. (CIN): L24230TG1990PLC011168 and registered address at 133, Bollaram Jinnaram, Medak, Telangana: 502325. The Company is listed on the Bombay Stock Exchange having Authorized capital of Rs 20,00,00,000/-.
<b>Business Activity:</b>	Gennex Laboratories Limited is an Active Pharmaceutical Ingredient manufacturing company, setup in 1995 with its unit located in IDA Bollaram. Gennex is among the leading 'Vertically Integrated' pharmaceutical companies in India and has a robust product portfolio spread over major product segments encompassing Expectorants, Muscle Relaxants, Analgesic and Anti-Fungal. The Mission at Gennex is highly Quality driven with the industry's best practices in place. Gennex has a prominent Global presence, own modern state of the art infrastructure, strategic alliances, subsidiaries and joint ventures. Gennex Laboratories is into manufacturing, marketing and export of APIs.
<b>Purpose of Valuation:</b>	The purpose of valuation is determination of the fair value of the equity shares of the Company for preferential allotment of shares.
<b>Base of Value:</b>	Fair Value
<b>Premise of Value:</b>	Going Concern
<b>Date of Valuation:</b>	30 <sup>th</sup> November 2023
<b>Conclusion:</b>	Based on the assumptions and limiting conditions as described in this report, as well as the facts and circumstances as of the valuation date, it is concluded that the fair value of one Equity Share of the Company of Rs. 1/- each as on 30 <sup>th</sup> November 2023 is <b>Rs 14.72/-</b> .





## Company Background

### Introduction

Gennex Laboratories Limited is a Public Company incorporated on 29th March 1990 having Corporate Identification No. (CIN): L24230TG1990PLC011168 and registered address at 133, Bollaram Jinnaram, Medak, Telangana: 502325. The Company is listed on the Bombay Stock Exchange having Authorized capital of Rs 20,00,00,000/-.

### Shareholding pattern of Gennex Laboratories Limited as on 30<sup>th</sup> November 2023.

Category	No of Shares	%
Promoters and Promoter Group (A)	4,18,85,624	23.60
Public (B)	13,55,62,050	76.40
Total (A) + (B)	17,74,47,674	100.00

### Nature of Business

Gennex Laboratories Limited is an Active Pharmaceutical Ingredient manufacturing company, setup in 1995 with its unit located in IDA Bollaram. Gennex is among the leading 'Vertically Integrated' pharmaceutical companies in India and has a robust product portfolio spread over major product segments encompassing Expectorants, Muscle Relaxants, Analgesic and Anti-Fungal. The Mission at Gennex is highly Quality driven with the industry's best practices in place. Gennex has a prominent Global presence, own modern state of the art infrastructure, strategic alliances, subsidiaries and joint ventures. Gennex Laboratories is into manufacturing, marketing and export of API.

### Composition of the Board of directors and KMP of Gennex Laboratories Limited as on 30<sup>th</sup> November 2023

S.NO	NAME	DESIGNATION	DIN/PAN
1	Sri Arihant Baid	Managing Director	01171845
2	Sri T M Gopalakrishnan	Whole-time-Director	03137458
3	Sri Y. Ravinder Reddy	Director	00011040
4	Smt. Sadhana Bhansali	Director	06962425
5	Dr. A R R Pantulu	Director	09003006
6	Sri A S Nageswara Rao	Director	07030259
7	Sri Laxmipat Baid	CFO	ACZPB3522H
8	Sri Dinesh Kumar Kejriwal	Company Secretary	AMDPK0576G





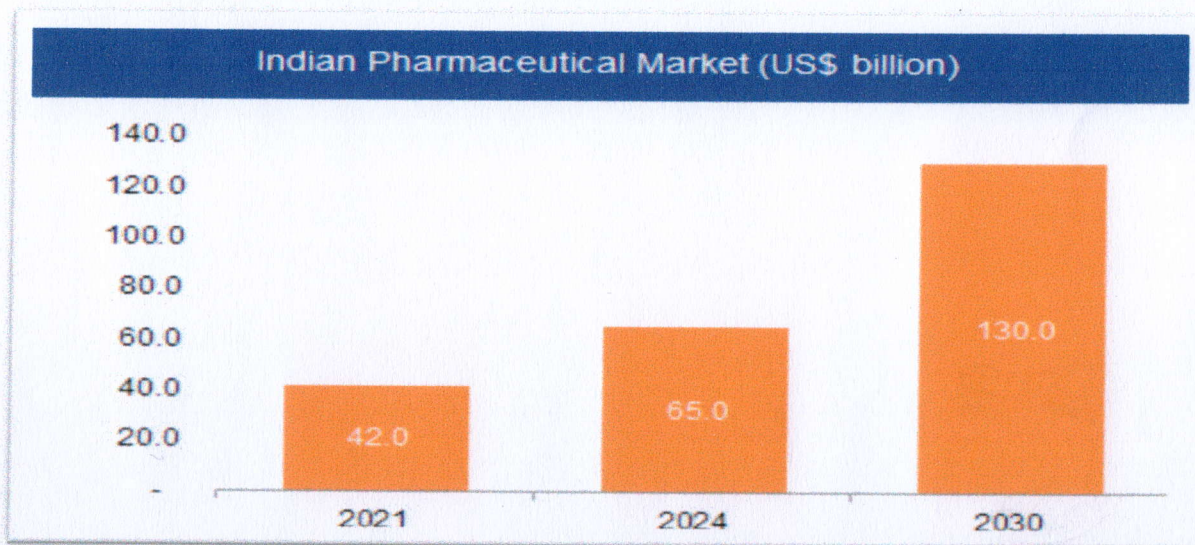
### Industry Analysis

Indian pharmaceutical industry is known for its generic medicines and low-cost vaccines globally. Transformed over the years as a vibrant sector, presently Indian pharma ranks third in pharmaceutical production by volume. The Pharmaceutical industry in India is the third largest in the world in terms of volume and 14th largest in terms of value. The pharma sector currently contributes to around 1.72% of the country's GDP.

In FY23, the Indian pharma market saw a year-on-year growth of nearly 5%, reaching US\$ 49.78 billion. During FY18 to FY23, the Indian pharmaceutical industry has logged a compound annual growth rate (CAGR) of 6-8%, primarily driven by an 8% increase in exports and a 6% rise in the domestic market.

Market size of India pharmaceuticals industry is expected to reach US\$ 65 billion by 2024, and ~US\$ 130 billion by 2030.

Pharmaceutical is one of the top ten attractive sectors for foreign investment in India. The pharmaceutical exports from India reach more than 200 nations around the world, including highly regulated markets of the USA, West Europe, Japan, and Australia.





**Valuer's Identity and appointment details**

Name of the Valuer	Ms. Madhumita Karar
Address of the Valuer	Chatterjee International Centre, Flat No. 13, 17th Floor, 33-A, Jawaharlal Nehru Rd, Park Street area, Kolkata, West Bengal 700071
Contact Detail	9007064060
Email address	madhumita@kgrs.in
Qualifications	FCA, Insolvency Professional, Registered Valuer-SFA
IBBI Registration No	IBBI/RV/06/2018/10341
Independence and Disclosure of Interest	The undersigned is an independent valuer. There is no conflict - of interest. It is further stated that neither the undersigned nor the relatives /associates are related or associated with Gennex Laboratories Limited.
Any other experts involved	No
Appointment of Valuer	Appointment as Valuer was done on 2 <sup>nd</sup> December 2023 by Board of Directors of Gennex Laboratories Limited.
Date of Valuation	30 <sup>th</sup> November 2023
Date of Report	2 <sup>nd</sup> December 2023
Currency	INR





## Valuation Approaches, Methods & Bases

### A. Valuation Approaches & Methods

As per paragraph 8 of the Indian Valuation Standard 103 - Valuation Approaches and Methods, of Indian Valuation Standards 2018 issued by The Institute of Chartered Accountants of India, there are three main valuation approaches:

1. Market approach;
2. Income approach; and
3. Cost approach.

#### 1. **Market approach**

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

The following valuation methods are commonly used under the market approach:

- a) Market Price Method;
- b) Comparable Companies Multiple (CCM) Method; and
- c) Comparable Transaction Multiple (CTM) Method;

##### a) **Market Price Method**

Under this method a valuer shall consider the traded price observed over a reasonable period while valuing assets which are traded in the active market. A valuer shall also consider the market where the trading volume of asset is the highest when such asset is traded in more than one active market. A valuer shall also consider the market where the trading volume of asset is the highest when such asset is traded in more than one active market.

##### b) **Comparable Companies Multiple (CCM) Method**

Comparable Companies Multiple Method, also known as Guideline Public Company Method, involves valuing an asset based on market multiples derived from prices of market comparables traded on active market.

##### c) **Comparable Transaction Multiple (CTM) Method**

Comparable Transaction Multiple Method, also known as 'Guideline Transaction Method' involves valuing an asset based on transaction multiples derived from prices paid in transactions of asset to be valued /market comparable (comparable transactions).

#### 2. **Income Approach**

Income approach is a valuation approach that converts maintainable or future amounts (e.g. cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount.



The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

This approach involves discounting future amounts (cash flows/income/cost savings) to a single present value.

Some of the common valuation methods of equity share valuation under income approach are as follows:

- a) Discounted Cash Flow (DCF) Method;
- b) Relief from Royalty (RFR) Method;
- c) Multi-Period Excess Earnings Method (MEEM);
- d) With and Without Method (WWM) and

**a) Discounted Cash Flow ('DCF') Method**

The DCF method values the asset by discounting the cash flows expected to be generated by the asset for the explicit forecast period and also the perpetuity value (or terminal value) in case of assets with indefinite life.

The DCF method is one of the most common methods for valuing various assets such as shares, businesses, real estate projects, debt instruments, etc.

**b) Relief from Royalty (RFR) Method**

RFR Method is a method in which the value of the asset is estimated based on the present value of royalty payments saved by owning the asset instead of taking it on lease. It is generally adopted for valuing intangible assets that are subject to licensing, such as trademarks, patents, brands, etc.

**c) Multi-Period Excess Earnings Method (MEEM)**

MEEM is generally used for valuing intangible asset that is leading or the most significant intangible asset out of group of intangible assets being valued.

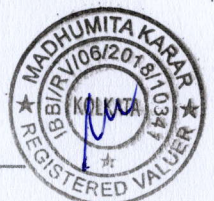
**d) With and Without Method (WWM)**

Under WWM, the value of the intangible asset to be valued is equal to the present value of the difference between the projected cash flows over the remaining useful life of the asset under the following two scenarios:

- i. business with all assets in place including the intangible asset to be valued; and
- ii. business with all assets in place except the intangible asset to be valued.

**3. Cost Approach**

Cost approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).





Two most commonly used valuation methods under the Cost approach:

- a) Replacement Cost Method; and
- b) Reproduction Cost Method.

**a) Replacement Cost Method**

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

**b) Reproduction Cost Method**

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

**B. Valuation Bases**

As per paragraph 14 of the Indian Valuation Standard 102 - Valuation Bases, of Indian Valuation Standards 2018 issued by The Institute of Chartered Accountants of India, Valuation base means the indication of the type of value being used in an engagement. Different valuation bases may lead to different conclusions of value. Therefore, it is important for the valuer to identify the bases of value pertinent to the engagement. This Standard defines the following valuation bases:

- a) Fair value;
- b) Participant specific value; and
- c) Liquidation value

**a) Fair Value**

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. Fair value is the price in an orderly transaction in the principal (or most advantageous) market at the valuation date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

**b) Participant Specific Value**

Participant specific value is the estimated value of an asset or liability considering specific advantages or disadvantages of either of the owner or identified acquirer or identified participants.

**c) Liquidation Value**

Liquidation value is the amount that will be realised on sale of an asset or a group of assets when an actual/hypothetical termination of the business is contemplated/assumed.





Liquidation value can be carried out under the premise of an orderly transaction with a typical marketing period or under the premise of forced transaction with a shortened marketing period. The valuer must disclose whether an orderly or forced transaction is assumed. The net amount is determined after considering estimated cost of disposal.

### **C. Premise of Value**

As per paragraph 37 of the Indian Valuation Standard 102 - Valuation Bases, of Indian Valuation Standards 2018 issued by The Institute of Chartered Accountants of India, Premise of Value refers to the conditions and circumstances how an asset is deployed. 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. Some common premises of value are as follows:

- a) highest and best use;
- b) going concern value;
- c) as is where is value;
- d) orderly liquidation; or
- e) forced transaction.

#### **a) Highest and Best Use**

The highest and best use of a non-financial asset takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

#### **b) Going Concern Value**

Going concern value is the value of a business enterprise that is expected to continue to operate in the future.

#### **c) As-is-where-is Basis**

As-is-where-is basis will consider the existing use of the asset which may or may not be its highest and best use.

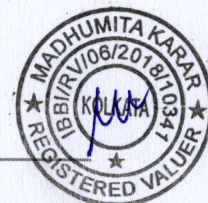
#### **d) Orderly Liquidation**

An orderly liquidation refers to the realisable value of an asset in the event of a liquidation after allowing appropriate marketing efforts and a reasonable period of time to market the asset on an as-is, where-is basis.

#### **e) Forced transaction**

Forced transaction is a transaction where a seller is under constraints to sell an asset without appropriate marketing period or effort to market such asset.

The approach, method, base and premise of value is selected after considering the terms and purpose of the valuation engagement.





**D. Discount for Lack of Marketability (DLOM)**

DLOM is based on the premise that an asset which is readily marketable (such as frequently traded securities) commands a higher value than an asset which requires longer marketing period to be sold (such as securities of an unlisted entity) or an asset having restriction on its ability to sell (such as securities under lock-in-period or regulatory restrictions).

Determining an appropriate level of DLOM can be a complex and subjective process. Accordingly, the specific nature and characteristics of the asset and the facts and circumstances surrounding the valuation should be considered.

**E. Control Premium and Discount for Lack of Control (DLOC)**

Control Premium generally represents the amount paid by acquirer for the benefits it would derive by controlling the acquiree's assets and cash flows.

Control Premium is an amount that a buyer is willing to pay over the current market price of a publicly-traded company to acquire a controlling interest in an asset. It is opposite of discount for lack of control to be applied in case of valuation of a non-controlling/minority interest.

**Valuation Methodology:**

Valuation Methodology has been considered based on the nature and purpose of the valuation.

**Asset Approach:**

The Asset based method views the business as a set of assets and liabilities that are used as building blocks of a business value. The difference in the value of these assets and liabilities on a Book Value basis or Realizable Value basis or Replacement Cost basis is the business value. However, this methodology recognizes historical cost of net assets only without recognizing its present earnings, comparative financial performance of its peers and their enterprise values etc.

Under Assets approach valuation has been carried out under book value method based on the latest available accounts of the Company. The price per equity share of the Company under book value method is Rs. 4.77/-.

**Market Approach:**

**a) Comparable Companies Multiple (CCM) Method**

Gennex Laboratories Limited is listed on the Bombay Stock Exchange Limited where price of such shares is determined by the market forces i.e. the demand & supply of the shares among the buyers and Sellers. Stock Exchange is one of the most efficient platforms where the price of the shares is determined by market forces and not by assumptions as required in Income approach, therefore we have used Comparable Companies method and Market Price method in accordance with the regulations of SEBI (ICDR) Regulations for valuation of equity share of Gennex Laboratories Limited.





Under CCM Method value of equity share has been computed using PE multiples. The price per equity share of the Company under PE multiple method is Rs. 14.23/-

**b) Market Price Method**

GLL is listed on the BSE Limited and price of such shares is determined by the market forces i.e. the demand & supply of the shares among the buyers and Sellers. Stock Exchange is one of the most efficient platforms where the price of the shares is determined by market forces and not by assumptions as required in Income approach, therefore the most suitable approach for valuation of equity share of GLL is Market Approach.

Under the Market Approach, Market Price Method has been adopted, wherein the traded price, market price and volume of the stock are observed over a reasonable period while valuing assets which are traded in the Active Market. The pricing guideline of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR) have been relied upon for valuing the equity share of GLL under the Market Price Method.

As per the Regulation 164 of the SEBI ICDR the pricing guideline for Pricing of frequently traded shares are as follows:

*If the equity shares of the issuer have been listed on a recognised 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 recognised stock exchange preceding the relevant date; or*
- b) *The 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.*

**As per Regulation 2(i) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011:**

*"Frequently traded shares" means shares of a target company, in which the traded turnover on any stock exchange during the twelve calendar months preceding the calendar month in which the public announcement 4 [is required to be made under these regulations], is at least ten per cent of the total number of shares of such class of the target company:*

*Provided that where the share capital of a particular class of shares of the target company is not identical throughout such period, the weighted average number of total shares of such class of the target company shall represent the total number of shares.*

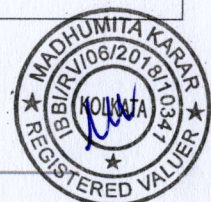
**Since the equity shares of GLL is frequently traded in the recognised stock exchanges, market approach has been duly considered for the valuation of the equity shares of the Company.**





**Valuation of Equity Share of Gennex Laboratories Limited as per the SEBI ICDR**

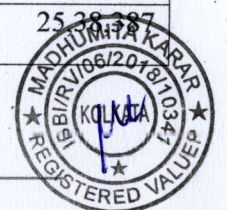
SI No.	Dates	Volume Weighted Average Price (a)	Total Traded Quantity (b)	Amount in Rs.
				Total Value (a*b)
1	29-Nov-23	15.75	29,66,469	4,67,31,746
2	28-Nov-23	16.38	28,07,263	4,59,81,176
3	24-Nov-23	16.38	6,60,803	1,08,23,953
4	23-Nov-23	16.06	3,01,645	48,44,418
5	22-Nov-23	15.75	6,99,247	1,10,13,140
6	21-Nov-23	15.45	6,43,919	99,48,548
7	20-Nov-23	15.15	7,49,553	1,13,55,727
8	17-Nov-23	14.47	1,19,74,982	17,32,56,697
9	16-Nov-23	14.24	95,49,646	13,59,86,432
10	15-Nov-23	13.74	32,78,173	4,50,25,968
11	13-Nov-23	13.20	14,97,207	1,97,62,450
12	12-Nov-23	12.70	3,75,724	47,73,069
13	10-Nov-23	12.35	3,89,906	48,15,480
14	09-Nov-23	12.34	5,17,009	63,77,309
15	08-Nov-23	12.36	8,44,911	1,04,42,509
16	07-Nov-23	12.00	8,48,266	1,01,82,747
17	06-Nov-23	11.62	6,77,277	78,70,313
18	03-Nov-23	11.39	3,95,884	45,10,188
19	02-Nov-23	11.30	3,69,998	41,81,146
20	01-Nov-23	11.62	3,54,392	41,16,807
21	31-Oct-23	11.39	2,94,818	33,57,028
22	30-Oct-23	10.81	3,36,092	36,31,486
23	27-Oct-23	10.59	6,36,471	67,38,946
24	26-Oct-23	10.18	4,23,931	43,17,351
25	25-Oct-23	10.87	4,06,895	44,21,967





*Valuation of Equity Shares of Gennex Laboratories Limited*

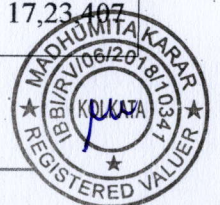
26	23-Oct-23	11.38	3,81,407	43,40,331
27	20-Oct-23	12.01	3,38,345	40,63,133
28	19-Oct-23	11.66	9,35,914	1,09,13,885
29	18-Oct-23	11.88	6,44,811	76,59,303
30	17-Oct-23	12.12	5,22,102	63,28,287
31	16-Oct-23	12.42	16,35,120	2,03,16,260
32	13-Oct-23	12.87	10,54,540	1,35,68,084
33	12-Oct-23	13.14	9,89,019	1,29,90,815
34	11-Oct-23	13.16	15,85,237	2,08,64,504
35	10-Oct-23	13.15	48,98,954	6,44,10,765
36	09-Oct-23	12.99	1,08,84,497	14,13,89,490
37	06-Oct-23	11.04	86,17,167	9,51,65,973
38	05-Oct-23	9.76	9,45,423	92,26,836
39	04-Oct-23	9.84	13,04,291	1,28,34,721
40	03-Oct-23	9.69	21,99,197	2,13,01,194
41	29-Sep-23	9.51	17,36,886	1,65,11,447
42	28-Sep-23	9.45	64,75,159	6,11,98,286
43	27-Sep-23	8.50	10,81,287	91,95,914
44	26-Sep-23	8.04	9,66,645	77,68,453
45	25-Sep-23	7.84	9,90,232	77,59,941
46	22-Sep-23	7.73	1,75,841	13,59,494
47	21-Sep-23	7.67	1,96,035	15,03,174
48	20-Sep-23	7.76	1,23,609	9,59,352
49	18-Sep-23	7.83	1,78,823	13,99,305
50	15-Sep-23	7.88	1,91,836	15,12,086
51	14-Sep-23	7.90	1,59,294	12,58,877
52	13-Sep-23	7.91	3,05,447	24,14,878
53	12-Sep-23	7.83	2,92,118	22,86,939
54	11-Sep-23	8.03	3,87,705	31,11,413
55	08-Sep-23	8.00	3,17,306	25,38,787





*Valuation of Equity Shares of Gennex Laboratories Limited*

56	07-Sep-23	8.03	2,75,015	22,07,899
57	06-Sep-23	8.08	3,69,892	29,88,019
58	05-Sep-23	8.01	2,53,422	20,30,836
59	04-Sep-23	8.05	2,33,756	18,81,513
60	01-Sep-23	8.07	2,79,417	22,54,787
61	31-Aug-23	8.07	1,85,106	14,93,929
62	30-Aug-23	8.09	3,43,735	27,80,278
63	29-Aug-23	8.11	3,37,131	27,33,534
64	28-Aug-23	8.21	3,31,509	27,23,113
65	25-Aug-23	8.23	1,83,771	15,12,561
66	24-Aug-23	8.39	2,76,103	23,17,219
67	23-Aug-23	8.37	3,26,466	27,32,463
68	22-Aug-23	8.40	2,34,247	19,68,037
69	21-Aug-23	8.44	2,96,446	25,01,502
70	18-Aug-23	8.71	3,40,479	29,65,289
71	17-Aug-23	8.72	6,73,443	58,70,936
72	16-Aug-23	8.77	12,82,273	1,12,44,578
73	14-Aug-23	8.24	3,49,686	28,80,584
74	11-Aug-23	8.08	2,95,690	23,90,134
75	10-Aug-23	8.12	2,82,207	22,92,770
76	09-Aug-23	8.05	2,41,528	19,45,473
77	08-Aug-23	8.29	3,18,281	26,39,787
78	07-Aug-23	8.24	7,69,676	63,43,823
79	04-Aug-23	8.88	7,67,504	68,15,312
80	03-Aug-23	8.69	17,02,739	1,48,01,843
81	02-Aug-23	8.76	32,45,451	2,84,22,478
82	01-Aug-23	8.03	67,69,767	5,43,65,747
83	31-Jul-23	6.82	1,57,843	10,77,028
84	28-Jul-23	6.83	2,07,919	14,19,782
85	27-Jul-23	7.04	2,44,706	17,23,407





86	26-Jul-23	7.25	13,08,574	94,88,609
87	25-Jul-23	6.51	1,08,448	7,06,387
88	24-Jul-23	6.51	1,23,020	8,00,488
89	21-Jul-23	6.53	2,21,112	14,44,487
90	20-Jul-23	6.58	1,24,812	8,20,964
<b>TOTAL</b>			<b>11,59,75,902</b>	<b>1,35,32,03,724</b>

Amount in Rs.

Particulars	Details
90 Days VWAP	11.67
10 Days VWAP	14.72
As per SEBI ICDR price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the above	<b>14.72</b>

### Value Conclusion

SL No	Valuation Approach	Value per Share (Rs)	WEIGHT	WEIGHT X PRICE
1	Market Price Method	14.72	3	44.16
2	Comparable Multiples Method (P/E)	14.23	2	28.47
3	Book Value Method	4.77	1	4.77
	<b>TOTAL</b>		<b>6</b>	<b>77.40</b>
<b>AVERAGE PRICE PER SHARE</b>				<b>12.90</b>
<b>As per Regulation 166A of SEBI (ICDR) the floor price of per equity share is</b>				<b>14.72</b>

### As per Regulation 166A of SEBI (ICDR) Regulations, 2018:

*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:*

**Therefore, the floor price per share is Rs. 14.72/-**

## Recommended Value

The recommended value of one Equity Shares of the Company of face value of Rs 1/- each as on 30<sup>th</sup> November 2023 is Rs 14.72/- per equity share.

## Sources of Information

The following information and documents are being used in this appraisal:

- Discussions with the Company's Management.
- Annual Report 22-23
- BSE Portals
- Various Website
- Other Documents

## Independence of Appraiser

I am independent of the Company and its fee for this report is not contingent in anyway upon the opinion of realisable value of the equity shares of GLL to be valued. I am not aware of any conflicts of interest. My engagement does not in any way preclude the Client from seeking other independent opinions of the realisable value of the equity shares of GLL from other sources.

## Contingent and Limiting Conditions

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

1. The analyses, opinions, and conclusions presented in this report apply to this engagement only and may not be used out of the context presented herein. This report is valid only for the effective date specified herein and only for the purpose specified herein.
2. Public information, estimates, industry and statistical information contained in this report have been obtained from sources considered to be reliable. However, I independently did not verify such information and make no representation as to the accuracy or completeness of such information obtained from or provided by such sources.
3. The company and its representatives warranted to me that the information supplied to me was complete and accurate to the best of their knowledge and that the financial information properly reflects the business conditions and operating results for the respective periods in accordance with the generally accepted accounting principles. Information supplied to me has been accepted as correct without any further verification.





4. Financial information of the subject company is included solely to assist in the development of a value conclusion presented in this report and should not be used to obtain credit or for other purpose. Because of the limited purpose of the information presented, it may be incomplete and contain departures from the generally accepted accounting principles.
5. Possession of this report, or a copy thereof, does not carry with it the right of publication of all or part of it nor may it be used for any purpose by anyone other than those enumerated in this report without my written consent. This report and the conclusion of the value arrived at herein are for the exclusive use of the client for the sole and specific purposes as noted herein.
6. I do not provide assurance on the achievability of the results forecasted by the client because events and circumstances frequently do not occur as expected; differences between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans, and assumptions of management.
7. The conclusion of value arrived at herein is based on the assumption that the current level of management expertise and effectiveness would continue to be maintained, and that the character and integrity of the enterprise through any sale, reorganization, exchange or diminution of the owner's participation would not materially or significantly change.
8. This report and the conclusion of the value arrived at herein are for the exclusive use of the client's sole and specific purpose as noted herein.
9. The report and the conclusion of the value are not intended by the author and should not be construed by the reader to be investment advice in any manner whatsoever. The conclusion of value represents the considered opinion of the registered valuer, based on information furnished by the client and other sources.
10. Neither all nor any part of the contents of this report (especially the conclusion of value, the identity of any valuation specialist(s) or any reference to any of their professional designations) should be disseminated to the public through advertising media, public relations, news media, sales media, mail, direct transmittal, or any other means of communication without my approval
11. This valuation reflects the facts and conditions existing or reasonably foreseeable at the valuation date. Subsequent events have not been considered, and I have no obligation to update the report for such events and conditions.
12. The analyst, by reason of this valuation, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
13. The engagement for this valuation consulting work does not include any procedures designed to discover any defalcations or other irregularities, should any exist.
14. No change in any item in this valuation/conclusion report shall be made by anyone other than me and I shall have no responsibility for any such unauthorized change.





15. It is assumed that there is full compliance with all applicable central, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the report.
16. I assume no responsibility concerning the value and useful condition of all equipment, real estate, investments used in the business, and any other assets or liabilities, except as specifically stated to the contrary in this respect.
17. I have relied on the representations of the owners, management, and other third parties concerning the value and useful condition of all equipment, real estate, investments used in the business, and any other assets or liabilities, except as specifically stated to the contrary in this report.
18. I have made no investigation of title to property and assume that the owner's claim to the property is valid. I have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances or that the entity has good title to all asset.

