



Date: 09<sup>th</sup> May 2026

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai- 400 051

**Attn: Pragya Shah -Manager**

**Re: Clarification / Details required vide letter dated 27<sup>th</sup> April 2026**

Dear Madam,

We refer to the Letter dated 27<sup>th</sup> April 2026 wherein with respect to the financials of your company, you have requested to provide certain information / clarification in the matter of erstwhile subsidiary M/s Addwaya Chemicals Private Limited ('Addwaya').

We have enclosed our response to the Information/ clarification required in Annexure-1 annexed herewith.

We request you to kindly take the same on record.

Should you require any further information, please contact us.

Yours faithfully

For and on behalf of  
**Esprit Stones Limited**  
**(Formerly known as Esprit Stones Private Limited)**

Authorised Signatory  
Name: **Anjali Pandey**  
Designation: **Company Secretary and Compliance Officer**

**Enclosed:**

1. Annexure-A and other supporting documents

**ESPRIT STONES LIMITED**

[FORMERLY KNOWN AS ESPRIT STONES PRIVATE LIMITED]

Registered Office: SP-1 Udyog Vihar, Sukher Industrial Area, Udaipur-313004, Rajasthan, In

CIN : U74999RJ2016PLC056284

Email : [legal@espritstones.com](mailto:legal@espritstones.com)

Phone : +91-91166-52220

Web : [www.espritstones.com](http://www.espritstones.com)

ANNEXURE-A

RESPONSE TO CLARIFICATION LETTER DATED 09.05.2025 IN THE MATTER OF ESPRIT STONES LIMITED

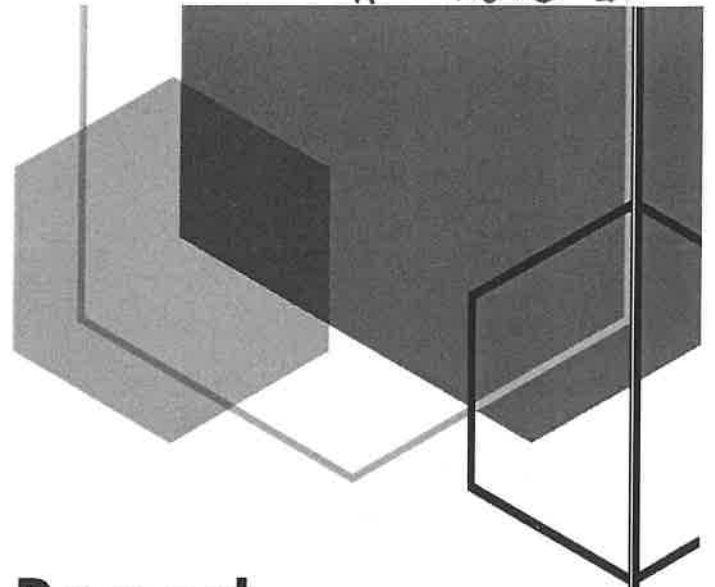
1. As per the financial results of the company for September 2025, it was noted that the company has disposed its entire holding of 51% in Addwaya Chemicals Private Limited for Rs. 1.21 crores based on its current valuation duly certified by the registered valuer.

Information required	Response															
i) Request you to provide the following details	<table border="1"><thead><tr><th>Name of buyer</th><th>GSTIN</th><th>Cost</th><th>Sale value</th><th>Relation if any</th></tr></thead><tbody><tr><td>Pranav Banthia</td><td>NA</td><td>4,80,000 (48,000 shares X 10 per share)</td><td>75,84,000 (48,000 shares X 158 per share)</td><td>Relative of Seema Banthia and existing shareholder of Addwaya Chemicals Private Limited</td></tr><tr><td>Seema Banthia</td><td>NA</td><td>2,85,000 (28,500 shares X 10 per share)</td><td>45,03,000 (28,500 shares X 158 per share)</td><td>Member of Promoter Group</td></tr></tbody></table>	Name of buyer	GSTIN	Cost	Sale value	Relation if any	Pranav Banthia	NA	4,80,000 (48,000 shares X 10 per share)	75,84,000 (48,000 shares X 158 per share)	Relative of Seema Banthia and existing shareholder of Addwaya Chemicals Private Limited	Seema Banthia	NA	2,85,000 (28,500 shares X 10 per share)	45,03,000 (28,500 shares X 158 per share)	Member of Promoter Group
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Seema Banthia	NA	2,85,000 (28,500 shares X 10 per share)	45,03,000 (28,500 shares X 158 per share)	Member of Promoter Group												
ii) Provide the valuation report by registered valuer based on which the value of Rs. 1.21 crores is derived	The valuation report by Registered valuer is attached as <i>Annexure-1</i> .															
iii) Current Status of license cancellation Addwaya Chemicals Private Limited of along with supporting documents	<p>Addwaya Chemicals Private Limited is involved in production of Unsaturated Polyester Resin. The industry was established after obtaining Consent to Establish (CTE) vide letter no. F(Tech)/ Rajsamand (Nathdwara)/6700(1)/2022-2023/840-841 dated 23.08.2022.</p> <p>In the matter of O.A. 298/2021, Vineet Nagar vs. CGWA &amp; Ors., Hon'ble National Green Tribunal (NGT) vide its order passed on 21.12.2021 directed that all units involved in manufacturing of formaldehyde and its different resins (including melamine formaldehyde, urea formaldehyde &amp; phenol formaldehyde) without requisite Environmental Clearance (EC) as per EIA Notification dated 14.09.2006 will be governed by the requirement of such EC. Accordingly, the unit had applied for obtaining Environmental Clearance on 28.02.2023.</p> <p>The Regional Office of Rajasthan State Pollution Control Board (District-Rajsamand) in March' 2025 has given directions for the closure of the manufacturing operations of Addwaya Chemicals Private Limited under section 31 (A) of the Air (Prevention &amp; Control of Pollution) Act, 1981 and under section 33(A) of the Water (Prevention &amp; Control of Pollution) Act, 1981 of its industrial unit located at Village-Rathujana Negdiya, Tehsil-Nathdwara, District- Rajsamand, State-Rajasthan as the unit does not have an EC. Refer Closure Directions attached herewith as <i>Annexure-2</i>.</p>															

	<p>The EC process including final appraisal was completed and the matter was referred to SEIAA in April 2025. However, the State Level Environment Impact Assessment Authority (SEIAA, Rajasthan) vide its meeting held on 01/08/2025 has recommended to reserve the decision on grant of EC subject to final order/ decision of the Hon'ble Supreme Court in Writ Petition (Civil) No. 1394/2023 - Vanashakti V/s Union of India. Accordingly, Consent to Operate (CTO) for the unit was not granted by RSPCB.</p> <p>Currently, Addwaya Chemicals Private Limited is exploring possibilities for obtaining EC and CTO for re-commencing its manufacturing operations.</p>
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2. **As Addwaya Chemicals Private Limited ceases to be a subsidiary on that date, please provide the current status of corporate guarantee given by the company on behalf of Addwaya Chemicals Private Limited as on 30-09-2025. Also provide the current status of loan given to Addwaya of Rs. 5.16 crores o/s as on 31-03-2025.**

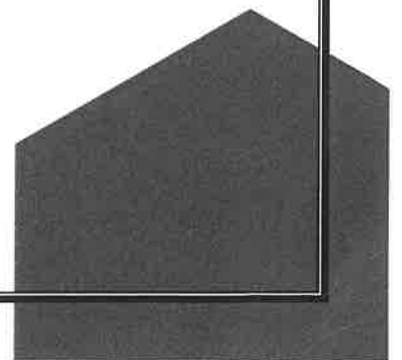
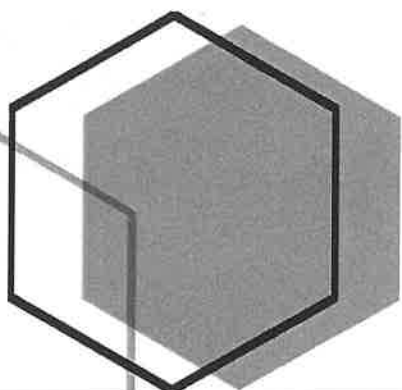
Information required	Response
i) Current status of Corporate Guarantee given by the company on behalf of Addwaya	The Company had given Corporate Guarantee (CG) on behalf of Addwaya Chemicals Private Limited while it was subsidiary of the Company against the credit facilities availed from HDFC Bank Limited. The said CG is maintained as per the terms with HDFC Bank Limited. The outstanding exposure of credit facilities against which CG was given as on was Rs. 17.56 crores as on 30.09.2025, which is reduced to Rs. 6.04 crores as on 08.05.2026.
ii) Current status of Loan given to Addwaya of Rs. 5.16 crores o/s as on 31-03-2025	The Company had given unsecured loan to Addwaya of Rs. 5.16 crores while it was subsidiary of the Company which is currently outstanding.



# Valuation Report

ADDWAYA CHEMICALS PRIVATE LIMITED

(This report is Private & Confidential)





# Valuation Report

## Valuation Event:

Determination of Fair Value of Equity Shares

## Date:

Date of Valuation: July 31st, 2025

Date of Valuation Report: September 1st, 2025

## Served to:

**Board of Directors**  
**ADDWAYA CHEMICALS PRIVATE LIMITED**  
Registered Office:-  
400, 4 Floor Arihant Plaza, Udaipur-  
313001, Rajasthan, India,

Fair opinion furnished by:



**Registered Valuer:**

**Nitin Mehta**

**IBBI Registration**

**No.:IBBI/RV/03/2019/12443**

**ICSI RVO COP No.:**

**ICSI/RV/SFA/51**

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## 1: Background

### 1.1 Background of Assets being valued, Base and Premise of Value

In accordance with my engagement letter, I, Nitin Mehta, (herein there after referred as “Registered Valuer”/ “Valuer”/ “RV”), have prepared a valuation report (“report”) to express our opinion on the fair value of equity shares of **Addwaya Chemicals Private Limited (herein thereafter referred as “ACPL” / “Company”/ “Client Company”)**, as on-going concern basis.

### 1.2 Background of the Company

Addwaya Chemicals Private Limited is an unlisted private company incorporated on 06 August 2020 under the Companies Act. The company is non-Government company. It’s Corporate Identification Number (CIN) is U24299RJ2020PTC070140 and is registered at Registrar of Companies, Jaipur. The company registered address is 400, 4 Floor Arihant Plaza, Udaipur-313001, Rajasthan, India

The company is a leading manufacturer of unsaturated polyester resins and related chemical products based in Udaipur, Rajasthan. Incorporated. It is an active, unlisted private company that has grown significantly as a pioneer in the resin and coating industry.

Company Information	
CIN	U24299RJ2020PTC070140
Company Name	ADDWAYA CHEMICALS PRIVATE LIMITED
ROC Name	ROC Jaipur
Registration Number	070140
Date of Incorporation	06/08/2020
Email Id	addwayachemicals[at]gmail[dot]com
Registered Address	400, 4 FLOOR ARIHANT PLAZA, Udaipur, UDAIPUR, Rajasthan, India, 313001
Address at which the books of account are to be maintained	-
Listed in Stock Exchange(s) (Y/N)	No
Category of Company	Company limited by shares
Subcategory of the Company	Non-government company
Class of Company	Private
ACTIVE compliance	-
Authorised Capital (Rs)	15,00,000
Paid up Capital (Rs)	15,00,000
Date of last AGM	27/09/2025
Date of Balance Sheet	31/03/2025
Company Status	Active
Small Company	No
Jurisdiction	
ROC (name and office)	ROC Jaipur
RD (name and Region)	RD Ahmedabad, North-Western Region Directorate

**1.3 Board of Directors:**

At present, the following are the board of directors of M/s. Addwaya Chemicals Private Limited:

DIN	Full Name	Designation	Date of Appointment
08824298	Rajendrakumar Omprakash Jain	Director	06/08/2020
09061052	Sumit Gattani	Director	09/02/2021
01105096	Pradeep Lunawath	Director	04/02/2021

**1.4 Capital Structure:**

PARTICULARS	AMOUNT (In Rs.)
<b>Authorized Share Capital</b>	
1,50,000 Equity Shares of Rs.10/- each	15,00,000/-
<b>Issued, Subscribed and Paid-Up Share Capital</b>	
1,50,000 Equity Shares of Rs.10/- each	15,00,000/-

**1.5 Shareholding pattern of ACPL holding 5% stake (as on Valuation Date)**

S.NO.	NAME OF EQUITY SHAREHOLDERS	TOTAL NO.OF SHARES HELD	TOTAL FACE VALUE (INR)	% OF SHARE HELD
1.	Esprit Stones Private Limited	76,500	10	51.00%
2.	Pranav Banthia	36,750	10	24.50%
3.	Rajendra Omprakash Jain	36,750	10	24.50%

**1.6 Legal Framework**

This report is issued in accordance with section 247 of Companies Act 2013 & rules thereon; which provides statutory backing to the Valuation; which requires that in respect of valuation of any property, stocks, shares, debentures, securities or goodwill or any other assets (herein referred to as “the assets”) or net worth of a company or its liabilities under the provision of this Act; which should be valued by a person having such qualification, experience and should be registered as valuer in such manner as may be prescribed.

## **2: Purpose of Valuation**

- The Management intends to determine the fair value of equity shares for a proposed transaction i.e., transfer of shares from existing shareholder to new/existing investors. The Board of Directors of ACPL appointed me as Registered Valuer to prepare the Valuation Report ("the report") for the fair valuation of equity shares of the company as per the internationally accepted valuation principles, as on July 31st, 2025; for management internal decision-making purpose to assess the proposed transaction.
- The valuation is undertaken based on the management approved financial statement for the period ended July 31st, 2025.
- This report is issued in accordance with section 247 of Companies Act 2013 & rules thereon; which provides statutory backing to the Valuation; which requires that in respect of valuation of any property, stocks, shares, debentures, securities or goodwill or any other assets (herein referred to as "the assets") or net worth of a company or its liabilities under the provision of this Act; which should be valued by a person having such qualification, experience and should be registered as valuer in such manner as may be prescribed.
- In accordance with our engagement letter; I, understand that the Management (ACPL) wants to determine the fair value of Equity Shares of ACPL for the internal management decision making purpose. In this context, the management requires our assistance in determining the fair value of equity shares of the company. As requested by the management, we have undertaken the value analysis of the equity shares of the Company on 'as is where is', going concern basis, as at July 31st, 2025 ('Valuation Date').
- I have not done any previous valuation for the same company.

**3: Base, Premises & Relevant Valuation Standards**

**3.1 Valuation Base and Premise of Value:**

For the purpose of arriving at valuation of the shares of company “Fair Value” base has been considered. It has been represented by the company that the management is intended to run the company, therefore, the valuation has been conducted on the premise of “Going Concern”. Any change in valuation base or premise could have significant impact on valuation exercise and therefore on this report.

**3.2 Valuation Standards adopted for Valuation:**

In compliance of the requirements, valuation of the equity shares of the company has been carried out by applying the International Valuations Standards (popularly known as ‘IVS’) issued by International Valuations Standards Council (IVSC) including the following valuation standards:

IVS -101 Scope of Work

IVS 102 Investigations and Compliances

IVS 103 Reporting

IVS 104 Bases and Premises of Value

IVS 105 Valuation Approaches and Methods

IVS 200 Business and Business Interest

## 4: Identity of RV, Appointing Authority & Schedule

### 4.1 Identity of Registered Valuer & Other Experts (if any)

Name of the Valuer	Nitin Mehta
Address of the Valuer	Gulab House, B-156, Bapu Nagar, Bhilwara 311001 Rajasthan
Contact Detail	9166633455, 9829105613
Email address	<a href="mailto:csnmehta@gmail.com">csnmehta@gmail.com</a> , <a href="mailto:office@csnmehta.com">office@csnmehta.com</a>
Qualifications	Registered Valuer  Membership Number IBBI/RV/03/2019/12443  FCS, IP and Registered Valuer -IBBI
Independence and Disclosure of Interest	I have carried out this valuation in the capacity of independent Valuer; except some assignments in capacity of Practicing Company Secretary (if done). I am neither have any present nor have any prospective contemplated financial interest in ACPL and nor have any personal interest with the Promoters or the Board of Directors of ACPL. It is further stated that neither the undersigned nor the relatives /associates are related or associated with the company or its members.  My professional fee for this valuation is not contingent upon the results reported or the value of the business accumulated or in any other manner.

### 4.2 Appointing Authority

*On 11th day of August 2025, the Board of Directors of ACPL have appointed the undersigned; Nitin Mehta (Registered Valuer); for valuation of Equity Shares.*

### 4.3 Schedule

<u>Particulars</u>	<u>Date</u>
Appointment date	August 11th, 2025
Valuation date	July 31st, 2025
Report date	September 1st, 2025

## **5: Information Sources, Inspections and/or Investigations undertaken**

For the purpose of this report; the documents and/or information published or provided by management have been relied upon. The Registered Valuer has fully relied on the information provided by the company and do not vouch for the accuracy of the information as is provided to us. The valuer has also analyzed the relevant other information publically available by the company or industry in general.

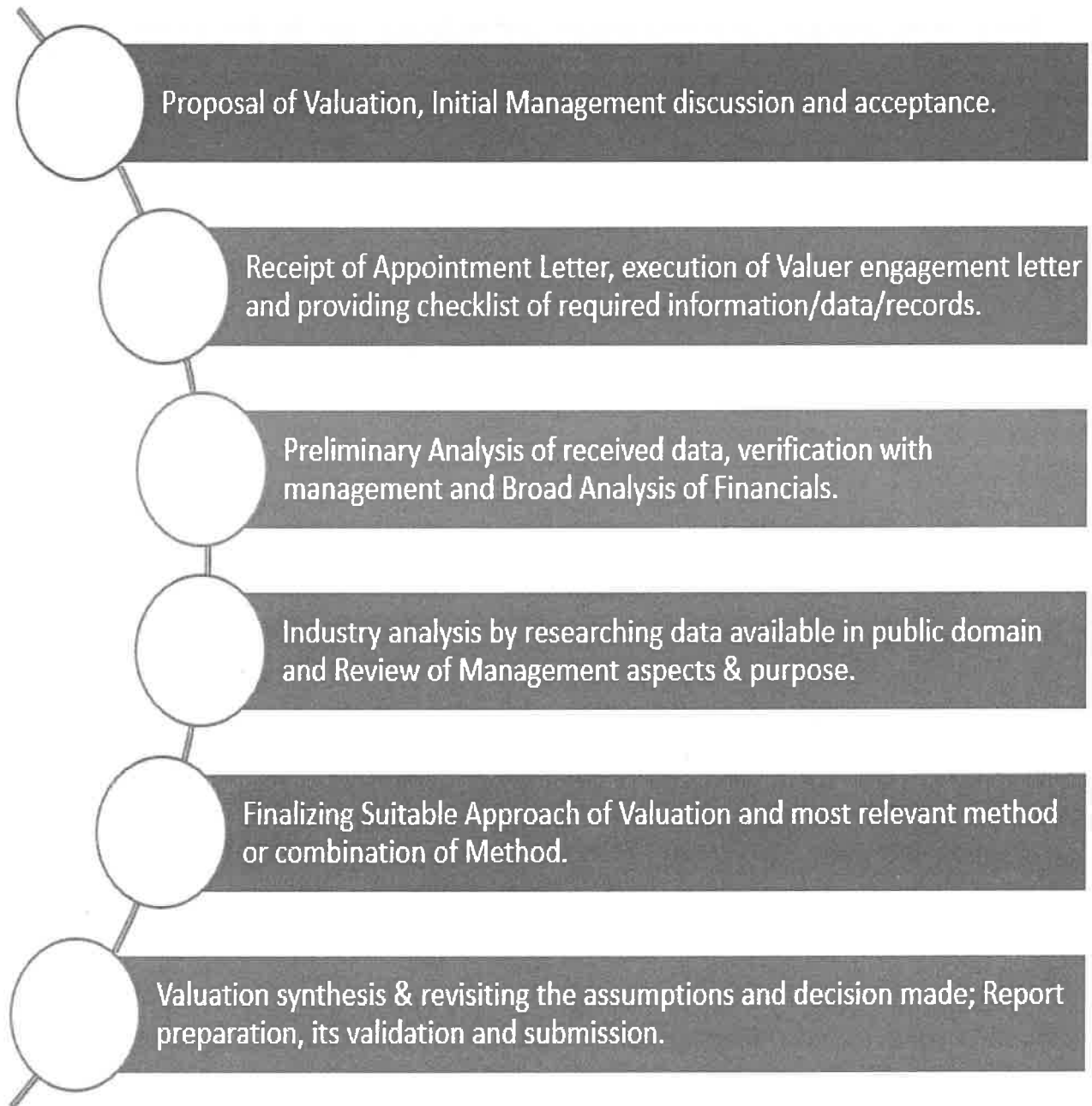
Registered Valuer has relied upon the following information:

1. Company's Background details, documents and information;
2. Audited Financial Statements for the year ended March 31st, 2025.
3. Management Approved Financial Statements for the Period ended July 31st, 2025.
4. Memorandum & Articles of Association
5. Information available in public domain and databases such as MCA, Moneycontrol, Capitaline, National Stock Exchange, Bombay Stock Exchange, Value Research etc.; and
6. Various written and verbal explanations and information given to us by the management of the company during the course of valuation exercise.

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

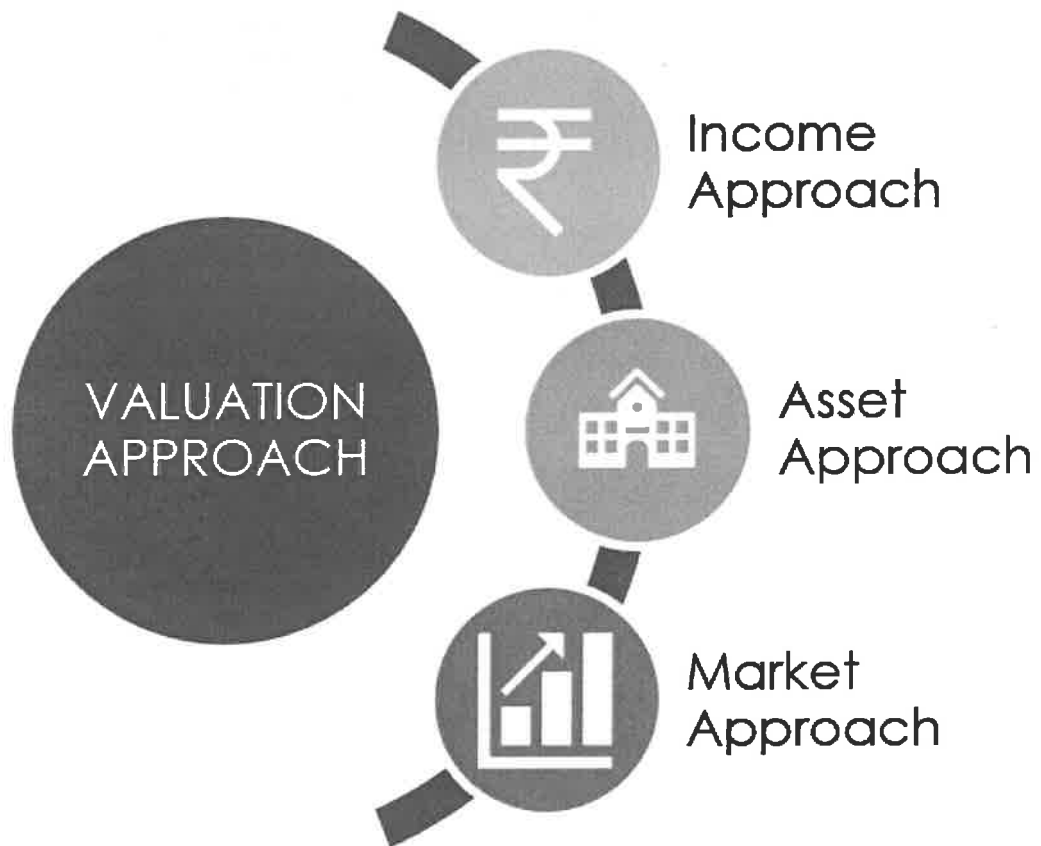
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## 6: Valuation Practice / Procedure



## 7: Approaches of Valuation

There are several commonly used and accepted Approaches for determining the value of business/shares of the company, which would be applied to the present case , to the extent relevant and applicable, such as:



*(This space has been left blank intentionally)*

## 8: Methodology of Valuation



There is no single definition of the term 'Value' that is suitable for all purposes or at all times. The value of a particular asset may vary according to different valuation methodologies that are adopted to ascertain the value for a specific purpose. Valuation of securities is an inexact science. It may sometimes involve a set of judgments and assumptions that may be subject to certain uncertainties. In the section below, Registered Valuer have discussed some of the commonly used valuation methodologies. The valuation methodology to be adopted varies from case to case depending upon different factors affecting valuation. There are a number of methodologies to value companies / businesses using historical and forecast financials of the company.

A typical valuation analysis involves review and analysis of historical financials of the company and broad comparison of the company's forecasted financial projections as regards all the significant macro and micro variables like economy and industry growth rate assumptions, inflation, interest and foreign exchange rates and tax rate forecasts. Company's profitability factors (industry competitive factors and company's operating strategies and its competitive position in the industry), economies of scale and optimal capital structure also affects the business valuation of the company.

Valuation is not an exact science and is dependent on various factors such as specific nature of business, economic life cycle in which the industry and company is operating, past financial performance of the business, future growth potential of the business, business model, management of the company, relevance of technology in the business model, liquidity of equity and much more. The results of the valuation exercise may vary significantly depending on the basis used, the specific circumstances and the judgement of the valuer.

In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue.

Various techniques may be used such as Net Asset Value Method, Price-Earnings Multiple Method, EV/EBITA Multiple Method, Discounted Cash Flow Method among others to value. The choice of valuation approach depends on the purpose of valuation and various other business specific and industry specific factor In some cases, a single valuation technique will be appropriate, whereas in others multiple valuation techniques will be appropriate.

**The established methods of valuation and a brief description of highly used method is provided below .**

METHOD	RELEVANCE
<b>Comparable Companies Multiple Method (CCM)</b>	<ul style="list-style-type: none"> <li>❖ Under the CCM Method, the value of shares/ business of a company is determined based on market multiple of publicly traded comparable companies, that is, valuation based on multiple benchmarked to the multiple of similar assets in the industry. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.</li> <li>❖ To make this comparison, RV begin by identifying a valuation multiple (like Price to Book value, Enterprise value to sales multiple or earnings multiple etc.). This multiple is applied to the earnings / sales/book value figure of the company being valued to arrive at the fair valuation of the company after making suitable adjustments for size &amp; liquidity. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company</li> <li>❖ Applying derived valuation multiple of comparable listed companies to the maintainable earnings of the subject company.</li> <li>❖ <b>However, difficulty in finding listed exactly comparable companies – causes subjectivity. Hence, I have considered that Comparable Companies Multiple Method will not be an appropriate method of valuation of Shares for the above mentioned valuation.</b></li> </ul>

METHOD	RELEVANCE
<p><b>Comparable Transactions Multiple method (CTM)</b></p>	<ul style="list-style-type: none"> <li>❖ The comparable transaction multiple method is a market based approach. The underlying principle of this method is that the value of a company is define in terms of what it can be sold for, in a cash transaction.</li> <li>❖ This same value should apply not just to the company being sold, but also to the other similar companies. Therefore, a company's value may be determined based on what similar or comparable companies have recently been sold for, in a cash transaction.</li> <li>❖ The Market approach using real transactions give the good indication of the fair value or the correct worth of the business in the market place.</li> <li>❖ The transactional data is published by various informational sources. Each sources compiles data on the transaction that have occurred and been reported to them by companies within a specific industry. Analysts then analyses these transaction and used the drive multiples as a basis for determining the value of the similar company</li> <li>❖ We have performed a search for suitable comparable transactions for valuing the equity shares of the company under this method.</li> <li>❖ <b><i>However, there are no recent and comparable transactions in respect of which complete detail of scheme structure etc. are available in the public domain, hence, we have considered that Comparable Transactions Multiple method will not be appropriate method of valuation of Shares for the above-mentioned valuation.</i></b></li> </ul>

**Discounted  
Cash Flow  
Method (DCF)**

- ❖ Under the DCF method, intrinsic value of an asset is equivalent to the present value of its expected future cash flows. Common equity can be valued directly by using Free Cash Flow to Equity (“FCFE”) or indirectly by using a Free Cash Flow to Firm (“FCFF”) model to estimate the value of the firm i.e. Enterprise Value and then subtracting the value of non stock capital (usually debt) from FCFF to arrive at an estimate of the value of equity. FCFF is the cash flow available to the company’s suppliers of capital after all operating expenses (including taxes) have been paid and necessary investments in working capital (e.g. inventory) and fixed capital (e.g. equipment) have been made.
- ❖ In the DCF approach to valuation, using FCFF method, the value of a business is determined based on future expected free cash flows discounted at a rate i.e. weighted average cost of capital (“WACC”) that reflects the risk involved in the business and the cash flows. The value so determined represents the firm value or the enterprise value. Value obtained by using DCF method gives us the Enterprise Value. The same is adjusted for Non-operating assets, cash, debt and loans as on the valuation date in order to arrive at the equity valuation.
- ❖ Income Approach vide - Discounted Cash Flow Method (DCF) - Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts. The following are some of the instances where a valuer may apply the income approach:
  - (a) Where the asset does not have any market comparable or comparable transaction;
  - (b) Where the asset has fewer relevant market comparable; or
  - (c) Where the asset is an income producing asset for which the future cash flows are available and can reasonably be projected.
- ❖ The income approach should be applied and afforded significant weight under the following circumstances:
  - (a) The income-producing ability of the asset is the critical element affecting value from a participant perspective, and/or
  - (b) Reasonable projections of the amount and timing of future income

	<p>are available for the subject asset, but there are few, if any, relevant market comparable.</p> <p>❖ <b><i>However, this method is based on the capability of a company to generate cash flows in the future. In the present case, as the plant is not operational and uncertainty exists on functioning of plant, therefore management has not prepared future cash flow, hence, in the absence of realistic forecasting for the financial Data, we have not been able to apply this method.</i></b></p>
<p><b>Asset Approach - Net Asset Value Method (NAV)</b></p>	<p>The Net Asset Value method attempts to measure the value of the net assets of the company against each share. It is computed by taking the net value of the company's assets, subtracting from them the amount of liabilities and preferred shareholders claims, and dividing the remainder amongst the number of equity shares. For an investment company valuation, NAV valuation, based on the asset backing is generally given more importance. Net Asset Value Method is also considered appropriate, where the future cash flows / commercial operations of the valued company cannot be reasonably ascertained or the company is recently incorporated. Book / replacement / realizable value of Net Assets.</p> <p>Relevant in the case of liquidation of a company or in the case of a company where the earning potential of a company is not getting captured appropriately under the income / market approach. It is also relevant for evaluating surplus / non-operational assets and contingent / off balance sheet liabilities.</p> <p><b><i>We have selected this method because the net asset value method generally sets a floor to the range of values as an entity tends not to be worth less than the net value of its underlying assets and liabilities at fair value. Net Asset Value Method is also considered appropriate, where the future cash flows / commercial operations of the valued company cannot be reasonably ascertained, or the company is relatively new company. The adjusted net asset value method is an asset-based approach whereby the value of the business is based on the difference between the fair value of the assets and liabilities of the business.</i></b></p>

## **9: Major factors taken into account during the valuation:**

The valuation exercise is normally performed on the basis of the widely accepted valuation methods, taking into account information available, market data, market place acceptance and growth in market are considered to be the good indicators of the Company's likely future operating earnings.

On the basis of aforementioned factors, we have considered to value Equity Shares as per NAV Method For the purpose of the valuation

We have reviewed the following documents:

- Audited Financial Statements for the year ended March 31st, 2025
- Management Approved Financial Statements for the Period ended July 31st, 2025.
- Information, explanation and documents provided by the Management personnel and executives
- Performed analysis on the relevant segment in which the company operates.

### **ADOPTED METHOD FOR VALUATION: NET ASSETS VALUATION METHOD-**

Asset-based approach is a type of business valuation that focuses on the net asset value of a company. The net asset value is identified by subtracting total liabilities from total assets. There can be some room for interpretation in terms of deciding which of the company's assets and liabilities to include in the valuation and how to measure the worth of each.

### **KEY TAKEAWAYS**

There are several methods available for calculating the value of a company.

- An asset-based approach identifies a company's net assets by subtracting liabilities from assets.
- The asset-based valuation is often adjusted to calculate the net asset value of a company based on the market value of its assets and liabilities.

## **Understanding an Asset-Based Approach**

Identifying and maintaining awareness of the value of a company is an important responsibility for financial executives. Overall, stakeholder and investor returns increase when a company's value increases and vice versa.

There are a few different ways to identify a company's value. Two of the most common are the equity value and enterprise value. The asset-based approach can also be used in conjunction with these two methods or as a standalone valuation. Both equity value and enterprise value require the use of the equity in the calculation. If a company does not have equity, analysts may use the asset-based valuation as an alternative. Many stakeholders will also calculate the asset-based value and use it comprehensively in valuation comparisons. The asset-based value may also be required for private companies in certain types of analysis as added due diligence. Furthermore, the asset-based value can also be an important consideration when a company is planning a sale or liquidation.

### ***Calculating Asset-Based Value***

The asset-based approach uses the value of assets to calculate a business entity's valuation.

In its most basic form, the asset-based value is equivalent to the company's book value or shareholders' equity. The calculation is generated by subtracting liabilities from assets.

Oftentimes, the value of assets minus liabilities can be different from the values reported on the balance sheet due to timing and other factors. Asset-based valuations can provide latitude for using market values rather than balance sheet values. Analysts may also include certain intangible assets in asset-based valuations that may or may not be on the balance sheet.

*(This space has been left blank intentionally)*

**Adjusting Net Assets**

We have selected this method because the net asset value method generally sets a floor to the range of values as an entity tends not to be worth less than the net value of its underlying assets and liabilities at fair value. Net Asset Value Method is also considered appropriate, where the future cash flow / commercial operations of the valued company cannot be reasonably ascertained, or the company is relatively new company. The adjusted net asset value method is an asset-based approach whereby the value of the business is based on the difference between the fair value of the assets and liabilities of the business.

NAV is a method of business valuation that focuses on the net asset value of a company. The net asset value is identified by subtracting total liabilities from total assets. The net asset value is then divided by number of equity shares to get the fair value per equity share.

**Formula for Net Asset Value; The NAV formula is as follows:**

$$\text{Net Asset Value} = \text{Value of Assets} - \text{Value of Liabilities}$$

Where:

Value of assets is the value of all the assets in the balance sheet

Value of liabilities is the value of all external liabilities payable by company

The NAV is typically represented on a per-share basis. In such a case, the formula would be:

$$\text{Net Asset Value} = \frac{\text{Value of Assets} - \text{Value of Liabilities}}{\text{Total Shares Outstanding}}$$

*(This space has been left blank intentionally)*

**ADDWAYA CHEMICALS PRIVATE LIMITED****Computation of Net Assets of ACPL as on July 31<sup>st</sup>, 2025**

(In INR Lakhs)

<b>PARTICULARS</b>	<b>AMOUNT</b>
<b>ASSETS</b>	
<b>Non-Current Assets</b>	
Property, Plant & Equipment	1,077
Intangible Assets	1
Long Term Loans and Advances	7
<b>Current assets</b>	-
Inventories	115
Trade receivables	2,665
Cash and cash equivalents	81
Loans & Advances	149
Other Current Assets	1
<b>Total Assets (A)</b>	<b>4,096</b>
<b>LIABILITIES</b>	
<b>Non Current Liabilities</b>	
Long-Term Borrowings	1,554
Deferred Tax Liability (Net)	52
Long Term Provisions	3
<b>Current liabilities</b>	-
Short term borrowings	1,856
Sundry Creditors	353
Other Current Liabilities	28
Short term Provisions	12
<b>Total Liabilities (B)</b>	<b>3,859</b>
<b>NET ASSET AVAILABLE TO SHAREHOLDERS(A-B)</b>	<b>236</b>

**Computation of Fair Value of Equity Shares of ACPL as on 31 July 2025**

<b>PARTICULARS</b>	<b>AMOUNT (INR)</b>
Net Asset (a)	236
No. Of Equity Shares (b)	1,50,000
Value Per Equity Share(a/b)	157.58
<b>Fair Value Per Equity Share(a/b)</b>	<b>158</b>

We have reviewed the individual assets & liabilities and based on discussion with Management and considered their book value equivalent to fair value (except immovable property). We had requested the management to provide us with the fair value of immovable property. The management provided us with the DLC circle rate of immovable property which has been considered as Fair Value of the immovable property. We have verified the outstanding number of equity shares from MCA portal independently.

## 10: Caveats, Limitation & Disclaimers

- i. My report is subject to scope of limitations detailed hereinafter. As such the report is to be read in totality and not in parts. The scope of my work has been limited both in terms of the areas of the business and operations which I have reviewed and the extent to which I have reviewed them. My scope of work does not enable me to accept responsibility for the accuracy and completeness of the information provided to me.
- ii. Valuation analysis and result are specific to the date of this report. A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. As such, valuation results are, to a significant extent, subject to continuance of current trends beyond the date of the report. Registered Valuer, however, has no obligation to update this report for events, trends or transactions relating to the company or the market/economy in general and occurring subsequent to the date of this report.
- iii. It may be noted that valuation is a highly subjective exercise and may differ from valuer to valuer depending on the individual perception of the attendant circumstances. At the outset, it is an expression of opinion or a recommendation based on certain assumptions. This report is not a substitute to Third party's own due diligence / appraisal / enquiries / investigation / independent advice.
- iv. Registered Valuer provides no assurance that the issue of equity capital will be completed relatively at or close to my recommended valuation within a particular timeframe. My valuation only aims to represent the likely price that is the minimum price of the equity share for allotment of share capital (transaction alternatives will have varied valuation approach and results).
- v. The process of valuation of shares cannot possibly be reduced to a uniform and inflexible arithmetical exercise as valuation is an art and not an exact science. Mathematical certainty is not demanded nor indeed is possible. In the ultimate analysis valuation depends on exercise of judicious discretion and judgment taking into account all relevant factor Since there is no standard formulae separate result can be obtained by different experts for the same set of data, facts and assumption.

- vi. My work does not constitute an audit or a certification of the historical financial statements. The valuation is in accordance to the data provided and assumptions made by the management and such is being relied as true and complete for the purpose of valuation exercise. These assumptions require exercise of judgment and are subject to uncertainties
  
- vii. Provision of valuation recommendations and considerations of the issues described herein are areas of my regular corporate advisory practice. The services do not represent accounting, assurance, financial due diligence review, consulting, transfer pricing or domestic/international tax-related services that may otherwise be provided by me. The reader is cautioned that the outcome of any of this process could change the information herein and therefore, the valuation materially.
  
- viii. The Report assumes that the Client Company complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Client Company will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Valuation Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws and litigation and other contingent liabilities. My Analysis of value assumes that the assets and liabilities of the Company, reflected in the respective latest balance sheet remain substantially intact as of the Report date.
  
- ix. The report is based on the Written Representations, audited financials and other information provided to me by the management of the company and thus the responsibility for this information and the assumptions on which they are based is solely that of the Management of the Company and I do not provide any confirmation or assurance on any of this information. I have, therefore, not performed any audit, review or examination of any of the historical information used and therefore, I do not express any opinion with regard to the same. It must be emphasized that valuation necessarily depends upon subjective judgment. If there were any omissions, inaccuracies or misrepresentations of the information provided to me by the management which may have a material effect on this report, I do not accept any liability for the same.

- x. Similarly, I have relied on data from external sources. These sources are considered to be reliable and therefore, I assume no liability for the accuracy of the data. I have assumed that the business continues normally without any disruptions due to statutory or other external/internal occurrences. These information and sources are subject to various internal and external factors affecting the Client Company and industry which may vary from time to time. Further, the assumptions are dynamic in nature which may vary from time to time due to some change in some external/internal factors affecting the Client Company.
  
- xi. I have relied on the judgement of the Management as regards contingent and other liabilities. Accordingly, my valuation does not consider the assumptions of contingent liabilities other than those given to me as likely to crystallize. If there were any omissions, inaccuracies or misrepresentations of the information provided to me, it may have the effect on my valuation computations.
  
- xii. No investigation of the Company's claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. Therefore, no responsibility is assumed for matters of a legal nature. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in accounts. Therefore, no responsibility is assumed for matters of legal nature. My report is not, nor should it be construed, as my opinion or certification of the compliance with the provisions of any law including company and taxation laws or as regards any legal, accounting or taxation implications or issues.
  
- xiii. The Valuation Analysis contained herein represents the value only on the date that is specifically stated in this Report. This Report is issued on the understanding that the Management of the Company has drawn my attention to all matters of which they are aware, which may have an impact on my Report up to the date of signature. I have no responsibility to update this Report for events and circumstances occurring after the date of this Report. Also, I refer to my term of engagement set out in approved engagement letter to the assignment.
  
- xiv. I have no present or planned future interest in the Company; and the fee for this Report is not contingent upon the values reported herein.

## Valuation Report



- xv. My Valuation Analysis should not be construed as investment/disinvestment advice; specifically, I do not express any opinion/discretion on the suitability or otherwise of entering into any transaction with the Client Company. Any party shall do so after seeking their own professional advice.
  
- xvi. My report is meant for the specific purpose mentioned herein and should not be used or referred for any other purpose. The report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared. The valuation worksheets prepared for the exercise are proprietary to me and cannot be shared. Any clarifications on the workings will be provided on request, prior to finalizing the Report, as per the terms of my engagement.
  
- xvii. The opinion of Net Assets value per unit expressed in this report does not in any way constitute guarantee regarding future performance and obligate me to render a comprehensive business appraisal report, to give testimony, or attend court proceedings with regard to the subject business assets, properties or business interests.
  
- xviii. The Company shall hold harmless me free from all actions, claims, proceedings, losses, damages, costs and expenses, whatsoever and however caused, incurred, sustained or arising, which I may suffer, arising from, or in connection with, the provision of the services for this engagement. This provision shall survive the termination of the engagement for any reason.
  
- xix. Considering the unprecedented set of circumstances, value analysis is reported on the basis of 'material valuation uncertainty' and accordingly less certainty and a higher degree of caution should be attached to the value analysis than would normally be the case.

**11: Restrictive usage of the report**

***This Valuation Report is confidential and has been prepared exclusively for Board of ACPL for the purpose of determining the fair value of equity shares as July 31st, 2025. It should not be circulated or reproduced to any other person, without prior consent of the valuer.***

**12: Calculation – Fair value of ACPL\***

Methodology Applied	Value per share in Rs	Weightage	Fair Value per equity share In INR
Market Multiples Method	NA	NA	NA
DCF Method	NA	NA	NA
NAV Method	158	100%	158
Weighted Average Fair Value per equity share in INR			<b>158</b>

\* applied methodology's working sheet placed as Annexure I, with the Valuation Report

### **13: Conclusion – Fair value of ACPL**

Based on our analysis of the company and read with assumptions, caveats, limitations and disclaimers, as detailed in our report; it is certified that the fair value of each equity shares of Addwaya Chemicals Private Limited having face value of INR 10/- has been computed at INR 158/- per share for internal management decision making purpose.



**Registered Valuer:** Nitin Mehta

**IBBI Registration No.:** IBBI/RV/03/2019/12443

**ICSI RVO COP No.:-** ICSI/RV/SFA/51

Date: September 1st, 2025



REGIONAL OFFICE  
**RAJASTHAN STATE POLLUTION CONTROL BOARD**  
 Old excise office building, Kalalwati, Rajnagar, Dist: Rajsamand - 313324  
 Phone/Fax no. 02952-294203, E-Mail ID : rorpcb.rajsamand@gmail.com

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RPCB/RO RAJ/ROTH-156/2025

Date: 08/03/25

Email- addwayasaibunit2@gmail.com

M/s Addwaya Chemicals Pvt. Ltd.,  
 Arajji No. 1953/11, 2080/10 & 2082/11,  
 Village- Rathujana Negdiya,  
 Tehsil - Nathdwara, District - Rajsamand,  
 Ph.- 91166-52418,

Sub:- **Directions for closure of the industry**, under section 31(A) of the Air (Prevention and Control of Pollution) Act, 1981 and the 33 (A) of Water (Prevention & Control of Pollution) Act, 1974, for your industry situated at **Arajji No. 1953/11, 2080/10 & 2082/11, Village- Rathujana Negdiya, Tehsil - Nathdwara, District - Rajsamand.**

Ref 1. Inspection of your industry dated 19.02.2025.

2. Letter from District Collector office letter dated 14.02.2025.

Sir,

This is without prejudice to the right of the Rajasthan State Pollution Control Board (hereinafter called as 'the Board') to initiate proceedings under the various provisions of the Water (Prevention & Control of Pollution) Act, 1974 (hereinafter called as 'the Water Act') and the Air (Prevention & Control of Pollution) Act, 1981 (hereinafter called as 'the Air Act') for violation of the provisions of the Act hereinafter shown:

1. Whereas the Water (Prevention & Control of Pollution) Act, 1974, (hereinafter referred as the Water Act) have come into force in the whole of the State of Rajasthan w.e.f. 1974.
2. Whereas the Air (Prevention & Control of Pollution) Act, 1981 (hereinafter called as 'the Air Act') have come into force in the whole of the State of Rajasthan w.e.f. 1981.
3. And whereas the Water Act and Air Act have been enacted to provide for the prevention, Control and abatement of water pollution & air pollution and to carry out the aforesaid purpose, the Board has been conferred power to take



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- such steps as are deemed necessary for the prevention, control & abatement of water pollution and air pollution.
4. And whereas the Air Act have been enacted to provide for the prevention, Control and abatement of air pollution and to carry out the aforesaid purpose, the Board has been conferred power to take such steps as are deemed necessary for the prevention, control & abatement of air pollution.
  5. And whereas industry is being operating in the name and style of **M/s Addwaya Chemicals Pvt. Ltd., Araj** No. 1953/11, 2080/10 & 2082/11, Village- **Rathujana Negdiya, Tehsil - Nathdwara, District - Rajsamand** (hereinafter referred to as "the industry") is engaged in manufacturing of **Unsaturated Polyester Resin**. During operation industry generates **air pollutants** and **Trade Effluents**.
  6. And whereas in compliance to District Collector office letter dated 14.02.2025 a joint committee, constituted by the Chief medical Health Officer, Rajsamand, vide their letter dated 17.02.2025, carried out an inspection on 19.02.2025, and the following deficiencies were observed:
    - a) **As per EIA Notification dated 14.09.2006 unit is required to obtain Environment Clearance for the manufacturing of unsaturated polyester resin which is a synthetic organic chemical.**
    - b) **Unit's Consent to Operate application under the Air (Prevention & Control of Pollution) Act, 1981 & Water (Prevention & Control of Pollution) Act, 1974 dated 07.06.2022 was refused by Head Office vide letter dated 21.02.2023.**
    - c) **Unit is operating without valid consent to establish & operate from the Board.**
    - d) **Metering arrangement for water consumption in various process/use not provided by unit and log-book was not maintained for same.**
    - e) **Air pollution control measures not installed at thermic fluid heater.**
    - f) **Adequate and safe infrastructural monitoring facility not provided at stack of thermic fluid heater.**



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- g) Unit has not applied for authorization under Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016.
- h) Proper sign board not provided at the gate of unit.
7. And whereas, industry in operating without Environment clearance and consent to operate.
8. And whereas, it is further to inform you that without valid consent to operate, legally you can't operate your plant.
9. And whereas, a show cause notice for intended direction has already been issued but looking to the grossly non-complying with regard to prescribed environmental standards and other shortcomings which have potential to cause grave injury to the environment it is not expedient to provide an opportunity of being heard, it may for reasons to be recorded in writing, issue direction without providing such an opportunity.
10. And whereas it is evident from above that the industry has failed to comply with the provisions of Water Act, 1974 and Air Act 1981.
11. And whereas violation of provisions of Water Act 1974 and Air Act 1981 is an offence under the provisions of these Acts.
12. And whereas violation of provisions of Water Act 1974 and Air Act 1981 have been viewed seriously by the State Board.
13. And whereas, the State Board may, in exercise of the powers conferred upon it under the provisions of section 33A of Water Act & 31A of Air Act and in performance of its functions under the Air/Water Act, issue directions in writing to any person, officer or any authority and such person, officer or authority shall be bound to comply with such directions which includes the power to direct:-
- The closure, prohibition or regulation of any industry, operation or process or
  - Stoppage or regulation of the supply of electricity or water or any other service or
  - To seal D.G. sets, Bore Well supplying water to the process if any and such other equipment's, so as to affect complete closure of the industrial plant.

*Handwritten signature*



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further puts you to notice that failure of making compliance of these directions issued by the State Board under section 33 A & 31 A is a criminal offence, punishable with imprisonment for a term which shall not be less than one year and six month but which may extend to six years and with fine under section 41(2) of the Act.

Yours Sincerely,

*Ashok Kumar Jeliya*  
08/03/25  
(Ashok Kumar Jeliya)  
SEE & Regional Officer

Copy to:-

1. Member secretary, RSPCB, Jaipur for information.
2. The District Collector, Rajsamand for information.
3. SDM Nathdwara, for information and further necessary action please.
4. Executive Engineer (O&M), AVVNL, Nathdwara shall disconnect the electricity supply to the industry and send compliance report to the Board by today.
5. Group Incharge, CD, RSPCB, Jaipur.
6. Master file of Closure Directions, RAJSAMAND

Regional Officer