

PAYAL GADA & CO
CHARTERED ACCOUNTANTS

S-15, Sej Plaza, 2nd Floor, Near Nutan School, Marve Road, Malad(W), Mumbai – 400064
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The Chief General Manager
Listing Operation,
BSE Limited,
20th Floor, P. J. Towers,
Dalal Street,
Mumbai – 400 001.

Dear Sir,

Sub: Application for “In-principle approval” prior to issue and allotment of 90,000 Equity Shares of INR 10/- each on a preferential basis under Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

1. I Fellow Chartered Accountant (“FCA”) Payal Gada (ICAI Membership Number 110424); Proprietress Payal Gada & Co., Chartered Accountants (ICAI Firm Registration Number 148529W), an Independent Practicing Chartered Accountant, hereby certify that the minimum issue price for the proposed issue of **Autoriders International Limited (“Autoriders” or “Issuer”)** based on the pricing formula prescribed under Regulation 164/165/166A of Chapter V of Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”) has been worked out at **INR 985.33 per equity share**. However, the Board has proposed a price of **INR 999.00 per equity share** for the preferential issue.
2. The relevant date for said minimum issue price was **Thursday, 10th October 2024**.
3. The Company is listed only on **BSE Limited**. For the purpose of computation of the price per Equity Share, accordingly, trading volume for the said exchange has been considered.
4. The equity shares of the Issuer Company are **infrequently traded** as per Regulation 164(5) of the ICDR Regulations as of the relevant date.
5. A copy of the valuation report issued by me in the capacity of an Independent Registered Valuer, giving the pricing details, is attached herewith.
6. The preferential issue is for allotment of more than five percent of the post-issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, and as such, regulation 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”) is triggered.



PAYAL GADA & CO
CHARTERED ACCOUNTANTS

7. The highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days before the relevant date on the **BSE Limited**.
8. I, hereby certify that the Articles of Association of the Issuer does not provide for a method of determination which results in a floor price higher than that determined under ICDR Regulations, 2018.

For Payal Gada & Co
Chartered Accountants



FCA Payal Gada,
ICAI Membership No:110424
ICAI FRN: 148529W
UDIN: 24110424BKBIGI1864
Date: 11th October 2024

**Report
on
Fair valuation
of
equity shares
of
Autoriders International Limited**

**Relevant date
10th October, 2024**

**Report Date
11th October, 2024**

**Prepared by
FCA Payal Gada
Registered Valuer (Securities or Financial Assets)
/Chartered Accountant**

S-15, 2nd floor, Sej Plaza, Marve Road, Malad (West), Mumbai-400064

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PAYAL GADA
REGISTERED VALUER (SECURITIES or FINANCIAL ASSETS)

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11th October, 2024

To,
The Board of Directors
Autoriders International Limited
4A, Vikas Centre, 104, S.V.Road,
Santacruz-W,
Mumbai-400054.

Dear Sir,

Sub: Valuation report on determination of fair value of equity shares of Autoriders International Limited (“AIL” or “the Company” or “Issuer Company”) for the proposed preferential issue of equity shares (“Proposed preferential issue”).

Autoriders International Limited (“AIL” or “the Company” or “Issuer Company”) is an Indian Company listed on the BSE Limited (“BSE”).

The Company is proposing to issue and allot Equity Shares (“Proposed preferential issue”) to Non-Promoter (“Proposed Allottee(s)”), at fair value on a preferential basis.

The equity shares of the Company are infrequently traded as per provisions of Regulation 164(5) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”).

The Articles of Association (“AOA”) of the Company does not categorically mention about the pricing of preferential issue.

We understand that the proposed preferential issue is not likely to result in a change in control of the Issuer Company. We also understand that the Proposed preferential issue is likely to result in 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, and as such, regulation 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”) is triggered.

Regulation 166A of the ICDR Regulations, requires, the Issuer Company to obtain a valuation report from an Independent Registered Valuer for allotment of more than five per cent of the post issue fully diluted share capital of the issuer or for change in control for price determination of Preferential Issue.

As such, the Company needs fair valuation of the Company, to compute the price for preferential issue of equity shares, in accordance with Section 42 and Section 62(1)(c), of the Companies Act 2013 read with Rule 13 of Companies (Share Capital and Debenture) Rules, 2014 and applicable ICDR Regulations.



**FCA PAYAL GADA
REGISTERED VALUER (SFA)**

In this regard, the Company has engaged **FCA Payal Gada, a Chartered Accountant (ICAI Membership No: 110424)** and **an Independent Valuer**, in her capacity as a **Registered Valuer**"; under the category of **Securities or Financial Assets**, registered with the Insolvency and Bankruptcy Board of India ("IBBIs, **IBBI Registration No. IBBI/RV/06/2019/11170** ("PG" or "We"), as defined in Regulation 2(kkk) of ICDR Regulations, to report on the fair equity valuation of the Company for the proposed preferential issue, as of the relevant date, in accordance to the applicable ICDR Regulations.

In terms of the provisions of Chapter V of the ICDR Regulations, applicable relevant date for the Preferential Issue of the Equity Shares is as under -

Relevant date as per Regulation 161(a) of ICDR	
Date on which the meeting of shareholders is held to consider the proposed preferential issue	Saturday, 9 November 2024
Relevant date -Thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue	Thursday, 10 October 2024
Date preceding the relevant date	Wednesday, 9 October 2024

Since the equity shares of AIL are infrequently traded, we have given due cognizance to the pricing guidelines as prescribed under Part IV - Pricing guidelines of Chapter V – Preferential Issue of SEBI ICDR Regulations.



FCA PAYAL GADA
REGISTERED VALUER (SFA)

On the basis of our valuation as discussed under 'Valuation Analysis' Section of this report, the fair equity value of AIL in accordance with the pricing guidelines under Regulation 165, as at relevant date is summarized as under –

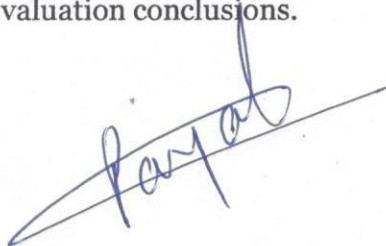
Annexure I - Fair Valuation Summary						
Valuation Approach	Valuation method	Unit	Company			
			Annexure Reference	Value	Weight	Weighted Value
				INR per equity share		
				(i)	(ii)	(iii) = (i) * (ii)
Market	Market price (#)	INR per share		-	-	-
Income	Discounted Cash Flow	INR per share	A	985.33	100.00%	985.33
Asset	Net Asset Value	INR per share	B	689.74	0%	-
Fair Value		INR per share			100%	985.33

(#) We have not considered the Market Price method under the Market Approach as the shares of the Issuer Company are infrequently traded as per the applicable ICDR Regulations and further that there is meagre trading of over past one year

On the basis of our fair valuation, as summarized above in Annexure I, the floor Price for preferential issue, in accordance with Regulation 166A and the pricing guidelines under Regulation 165, as at Relevant date, is summarized as under –

Valuation Summary of the Company under ICDR Regulations				
Particulars	Unit	Reference	Value	Remarks
Floor Price as Regulation 165	INR per share	A	985.33	Refer Annexure I
Fair Value (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)	INR per share	B	985.33	Refer Annexure I
Floor Price per share as per Regulation 166A(1)	INR per share	C=Max of A and B	985.33	

Please find enclosed herewith our narrative report containing our valuation analysis and valuation conclusions.




Payal Gada, Chartered Accountant
Registered valuer (SFA)
IBBI Registration Number.: IBBI/RV/06/2019/11170
ICAI Membership No:110424
UDIN: 24110424BKBIGH6115

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Abbreviations forming part of the Report

BSE	- BSE Ltd (Bombay Stock Exchange)
QE	- Quarter ended
FY	- Financial Year
FYE	- Financial Year ended
INR	- Indian Rupee
Lacs	- Lakhs
IBBI	- The Insolvency and Bankruptcy Board of India
ICAI	- The Institute of Chartered Accountants of India
IVS	- ICAI Valuation Standards
RV(SFA)	- Registered Valuer (Securities & Financial Assets)
UDIN	- Unique Document Identification number.
PG	- FCA RV Payal Gada
Relevant date	- 10 th October, 2024
EGM	- Meeting of shareholders
SEBI	- The Securities & Exchange Board of India
ICDR	- Issue of Capital and Disclosure Requirements
AIL/ Company/Issuer Company	- Autoriders International Limited
ICDR Regulations	- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
P/E Multiple	- Price to Earnings Multiple
P/B Multiple	- Price to Book Multiple
EPS	- Earnings Per share
PE	- Period ended
HYE	- Half year ended
TTM	- Twelve months trailing
Management	- Authorised personnel of the Company
AOA	- Articles of Association of the Company
Comps	- Listed Indian Comparable Companies
Cos Act	- Companies Act, 2013
NAV	- Net Asset Value
ANAV	- Adjusted Net Asset Value
CCM	- Comparable Companies Multiple
DCF	- Discounted Cash Flow
PECV	- Capitalisation of Earnings method
Balance sheet date	- 30.06.24



Engagement Background and purpose of valuation

Autoriders International Limited ("AIL" or "the Company" or "Issuer Company") is an Indian Company listed on the BSE Limited("BSE").

The Company is proposing to issue and allot Equity Shares ("Proposed preferential issue") to Non-Promoters ("Proposed Allottee(s)), at fair value on a preferential basis.

The equity shares of the Company are infrequently traded as per provisions of Regulation 164(5) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**").

The Articles of Association ("**AOA**") of the Company does not categorically mention about the pricing of preferential issue.

We understand that the proposed preferential issue is not likely to result in a change in control of the Issuer Company. We also understand that the Proposed preferential issue is likely to result in 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, and as such, regulation 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**") is triggered.

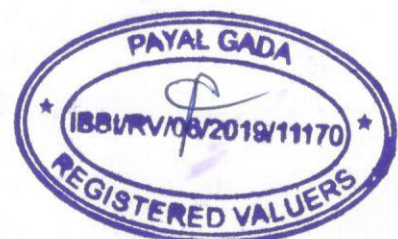
Regulation 166A of the ICDR Regulations, requires, the Issuer Company to obtain a valuation report from an Independent Registered Valuer for allotment of more than five per cent of the post issue fully diluted share capital of the issuer or for change in control for price determination of Preferential Issue.

As such, the Company needs fair valuation of the Company, to compute the price for preferential issue of equity shares, in accordance with Section 42 and Section 62(1)(c), of the Companies Act 2013 read with Rule 13 of Companies (Share Capital and Debenture) Rules, 2014 and applicable ICDR Regulations.

In this regard, the Company has engaged **FCA Payal Gada, a Chartered Accountant (ICAI Membership No: 110424)** and **an Independent Valuer**, , in her capacity as a **Registered Valuer**"; under the category of **Securities or Financial Assets**, registered with the Insolvency and Bankruptcy Board of India ("**IBBIs, IBBI Registration No. IBBI/RV/06/2019/11170**" ("PG" or "We"), as defined in Regulation 2(kkk) of ICDR Regulations, to report on the fair equity valuation of the Company for the proposed preferential issue, governed by Engagement letter dated 04.10.2024.

FCA Payal Gada has more than 10 years of work experience. It is our understanding that this report will not be used for any other purpose, other than that stated herein.

This valuation report is our deliverable for this engagement.



Base and premise of Valuation

For the purpose of arriving at the valuation of fair value of Equity Shares of AIL, I have considered the valuation base as "Fair Market Value". My valuation and this report are based on the premise of "Going Concern". Any change in the valuation base or premise could have a significant impact on my valuation exercise and therefore, this valuation report.

Disclosure of Valuer Interest

I have no present or prospective contemplated financial interest in AIL, and I have no personal interest with respect to the Promoters & Board of Directors of AIL. I have no bias/prejudice with respect to any matter that is the subject of the valuation report or to the parties involved with this engagement.



FCA PAYAL GADA
REGISTERED VALUER (SFA)

General Overview of the Company

Autoriders International Limited ("AIL" or "the Company" or "Issuer Company") is a public company domiciled in India. The registered office of the Company is located at - 4A, Vikas Centre, 104, S.V. Road, Santacruz-W, Mumbai-400054.

The Company is primarily engaged in the business of providing Rent A Car services, majorly to corporate business houses.

The Company has its Equity Shares listed on the BSE Limited("BSE").

The Articles of Association("AOA") of the Company do not categorically mention about the pricing of preferential issue.

Capital Structure as of the relevant date

Details of issued, Subscribed and paid up Share capital of the Company as on the valuation date			
Type of security	Number of shares	Face Value	Share Capital
		INR per share	INR Lacs
Equity	4,90,140	10	49.01
Total	4,90,140		49.01
Source: Management			

Share holding pattern as on 30.6.2024

Shareholding pattern as on 30.06.24		
Particulars	No of shares held	% of holding
Promoter and Promoter Group	3,50,000	71.41%
Public	1,40,140	28.59%
Total	4,90,140	100.0%
Source : BSE Limited		



**FCA PAYAL GADA
REGISTERED VALUER (SFA)**

Historical Financial Information Overview

Statement of Net worth

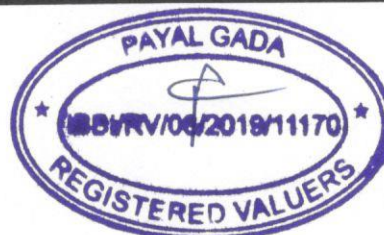
<u>Particulars</u>	<u>Unit</u>	<u>As at</u>	<u>As at</u>	<u>As at</u>
		<u>31/03/24</u>	<u>31/03/23</u>	<u>31/03/22</u>
		<u>Audited</u>	<u>Audited</u>	<u>Audited</u>
Share capital	INR Lacs	49	49	49
Other equity	INR Lacs	3,192	2,256	1,587
Non-controlling interest	INR Lacs	-	-	-
Money received against share warrants	INR Lacs	-	-	-
Net Worth	INR Lacs	3,241	2,305	1,636

Source : Latest published results available in public domain as of date of Valuation Report

Statement of Profit and Loss Account

<u>Particulars</u>	<u>Unit</u>	<u>QE</u>	<u>FYE</u>	<u>FYE</u>	<u>FYE</u>
		<u>30/06/24</u>	<u>31/03/24</u>	<u>31/03/23</u>	<u>31/03/22</u>
		<u>Unaudited</u>	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>
Revenue from Operations	INR Lacs	1982	8341	7055	3342
Profit(Loss) from continuing operations	INR Lacs	139	944	676	294
EPS		28.42	191.00	137.00	61.61
Profit(Loss) from discontinuing operations	INR Lacs	-	-	-	-
Total Profit (loss)	INR Lacs	139	944	676	294

Source : Latest published results available in public domain as of date of Valuation Report



Valuation Approaches and Methodologies

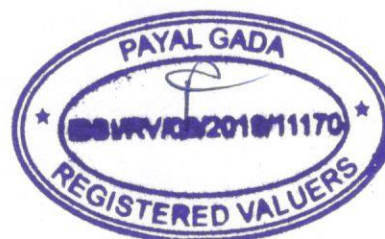
The shares of the Company should be valued as per commonly used and internationally accepted methods of valuation to determine fair price of such shares. We have considered the ICAI Valuation Standards 2018 ("IVS") as issued by the Institute of Chartered Accountants of India as well as other International Valuation Standards.

For the valuation, the commonly used and accepted methods, to the extent relevant and applicable, are as under:

1. Market Price ("MP") method under the Market approach
2. Comparable Companies' Multiples ("CCM") method / Guideline Company method under the Market approach
3. Discounted cash flow method under Income approach
4. Net Asset Value ("NAV") method under Asset approach

It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic condition, many of which are beyond the control of the Companies. In addition, this valuation will fluctuate with changes in prevailing market condition, the condition and prospects, financial and otherwise, of the Companies, and other factors which generally influence the valuation of companies and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.



Market Price ("MP") Method under Market approach:

The Issuer Company is a listed company and as such, the proposed preferential issue is governed by the ICDR Regulations.

Applicable ICDR Regulations

Regulation 164(5) of Chapter IV of SEBI ICDR Regulations reads as under-

For the purpose of this Chapter, "Frequently traded shares" means shares of the issuer, in which the traded turnover on any recognised stock exchange during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of the shares of the issuer.

Explanation: 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."

Relevant date in case of preferential issue of equity shares is defined in regulation 161(a) "the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue".

The equity shares of the Company are traded on the BSE only and as such the **Relevant Stock exchange is BSE.**

In terms of the provisions of Chapter V of the ICDR Regulations, applicable **Relevant date** for the Preferential Issue of the Equity Shares is as under -

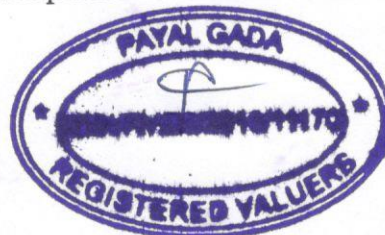
Relevant date as per Regulation 161(a) of ICDR

Date on which the meeting of shareholders is held to consider the proposed preferential issue	Saturday, 9 November 2024
Relevant date -Thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue	Thursday, 10 October 2024
Date preceding the relevant date	Wednesday, 9 October 2024

In the case of the Issuer Company, **0.01%** of the total number of shares are traded during the 240 trading days preceding the relevant date as detailed in **Annexure A(i)**. As such, the shares of the Company are **infrequently** traded, in accordance to the applicable ICDR Regulations.

The equity shares of the Issuer Company are meagerly traded during past one year, ranging from 0.001% to 0.007% of the total number of outstanding shares.

Hence, we have not considered the Market Price method for the current valuation, as pricing data of the traded price observed over a reasonable period in the active market, is not available.



**FCA PAYAL GADA
REGISTERED VALUER (SFA)**

Annexure A(i)- Total number of equity shares traded during the 240 exchange trading days preceding the relevant date.

<u>Annexure A(i) - Day wise trading volume for 240 exchange trading days prior to the relevant date</u>		
<u>Date</u>	<u>Day of the week</u>	<u>Number of Shares traded on the relevant Stock exchange during the day</u>
07-Dec-23	Thursday	1
15-Dec-23	Friday	1
18-Dec-23	Monday	1
20-Dec-23	Wednesday	1
18-Mar-24	Monday	1
19-Mar-24	Tuesday	1
20-Mar-24	Wednesday	1
21-Mar-24	Thursday	1
22-Mar-24	Friday	2
26-Mar-24	Tuesday	1
27-Mar-24	Wednesday	1
28-Mar-24	Thursday	2
01-Apr-24	Monday	1
02-Apr-24	Tuesday	1
03-Apr-24	Wednesday	1
04-Apr-24	Thursday	1
05-Apr-24	Friday	1
10-Apr-24	Wednesday	1
12-Apr-24	Friday	1
15-Apr-24	Monday	1
22-Jul-24	Monday	1
23-Jul-24	Tuesday	1
16-Aug-24	Friday	1
19-Aug-24	Monday	1
20-Aug-24	Tuesday	1
21-Aug-24	Wednesday	1
22-Aug-24	Thursday	1
23-Aug-24	Friday	1
26-Aug-24	Monday	1
27-Aug-24	Tuesday	2
28-Aug-24	Wednesday	1
29-Aug-24	Thursday	1
30-Aug-24	Friday	1
Total Traded Quantity during the 240 exchange trading days. on the relevant stock exchange preceding the relevant date		36
Total number of shares outstanding as per ICDR regulations		4,90,140
% of shares traded during the 240 exchange trading days preceding the relevant date		0.01%
Source : BSE		



Comparable Companies' Multiple (CCM) / Guideline Company method (Market Approach) –

Under this method, value of the equity shares of a company is arrived at by applying a suitable multiple (derived from valuations of comparable companies, as manifest through stock market valuations of listed companies) to the income of the Company. 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.

AIL is a listed Company, exclusively engaged in the business of car rental services, with 99% of its revenue being derived from Car rentals.

Based on our broad screening for listed comparable companies in India, we understand that there are no listed companies in India that are exclusively in to car rental services and that cannot be said to be directly comparable to the Company, based on the material differences on account of the small size of operations (in terms of Turnover), fleet size, exclusive nature of car rental business, operating margins, brand value, geographical area of operations, historical and expected growth rates, etc.

Considering all the above factors, we have not considered the CCM method for the valuation of the Company.

Discounted Cash Flows (DCF) Method (Income Approach)

The DCF method is one of the most scientific among all the valuation methods in terms of conceptual framework. Under the DCF method, the projected free cash flows of the projects are discounted at the appropriate cost of capital. The sum of the discounted value of such free cash flows is the value of the firm. The value so derived is not impacted by accounting practices (which are many a times non-uniform across companies/time), as it is based on cash flows and not book profits. The method incorporates all factors relevant to business (e.g. tangible and intangible assets, current and future competitive position, financial and business risks, etc.).

To estimate the cash flows available to stakeholders, projected income statement and balance sheet of the entity are prepared for certain future years (explicit forecast period). The cash flows are then discounted using an appropriate discount rate. Perpetuity value or Terminal Value also is considered.

Considering that this method is based on future potential and is widely accepted, we have used this method for the valuation exercise of the Issuer Company.

Relevant workings are detailed in **Annexure A** below-



**FCA PAYAL GADA
REGISTERED VALUER (SFA)**

Annexure A - Valuation of the Company as per Discounted Cash Flow Method										
Valuation date : 10-Oct-24										
Particulars	Reference	Unit	Value	FYE 25	FYE 26	FYE 27	FYE 28	FYE 29	Perpetuity	
Number of months				9.00	12.00	12.00	12.00	12.00		
Operating Revenue		INR Lacs		6,521.36	10,875.40	13,253.76	14,737.69	15,787.96	16,419.48	
Operating EBITDA		INR Lacs		4,652.99	3,152.67	3,978.91	4,247.87	4,597.67	4,781.58	
Less: Income Tax on EBIT		INR Lacs		332.65	481.07	628.07	718.34	751.64	460.42	
Less: Incremental Working Capital		INR Lacs		290.93	242.57	321.26	631.94	1,046.88	153.44	
Less: Capital Expenditure		INR Lacs		2,001.58	2,448.36	2,588.12	2,585.05	2,838.79	2,952.34	
Free cash flow to Firm		INR Lacs		2,027.83	(19.32)	441.45	312.53	(39.64)	1,215.38	
Discounting factor		INR Lacs	16.77%	94.35%	82.38%	70.55%	60.42%	51.75%		
Present Value of future cash flows		INR Lacs		1,913.30	(15.92)	311.46	188.84	(20.51)		
Sum of Net Present Value("NPV") during explicit period	A	INR Lacs	2,377.17							
Terminal Value Calculation										
Perpetuity Growth rate		%	4.0%							
Terminal Value		INR Lacs	9,518.82							
PV Factor		%	51.75%							
Present Value("PV") of Terminal Value	B	INR Lacs	4,925.54							
Enterprise Value	C = A + B	INR Lacs	7,302.71							
Add: Cash and cash equivalents as on balance sheet date	D	INR Lacs	225.66							
Add : Book Value of surplus assets/Investments as on balance sheet date	E	INR Lacs	0.87							
Less: Debts and borrowings as on balance sheet date	F	INR Lacs	2,917.70							
Equity Value		INR Lacs	4,611.54							
Add : Stub period adjustment		INR Lacs	217.94							
Adjusted Equity Value		INR Lacs	4,829.5							
Number of equity shares outstanding		Number in lacs	4.90							
Adjusted Equity Value		INR per share	985.33							



• Discount Rate – 16.77%

We have used the adjusted Weighted average cost of capital (“WACC”) for asset specific risks to discount future cash flows based on midpoint discounting convention. $WACC = \text{Adjusted cost of Equity (Ke)} \times \text{relevant equity weight} + \text{Cost of debt (Kd)} \times (1 - \text{tax rate}) \times \text{relevant debt weight}$. We have used WACC of 16.77% , based on after tax cost of debt (“Kd”) of 10.9% , cost of equity (“Ke”) of 17.97% and targeted debt equity ratio of 16.85%

The Capital asset pricing model (“CAPM”) is applied to calculate the adjusted cost of equity. According to the CAPM, cost of equity consists of a risk-free interest rate and a risk premium. The risk premium is calculated by multiplying the market risk premium by the beta-factor. The various components of cost of equity calculation are as below:

Risk-free Rate - (Rf)	6.78%	Risk-free rate is the minimum return that an investor can expect from an investment without risk. Generally, the rate of return derived on a high-quality government bond can be considered as risk-free rate for cost of equity computation purposes. The risk-free rate is based on a rounded off 10-Year Government of India Bond yield as on the valuation date.
Equity market risk premium (MRP)	6.81%	Based on expected equity market risk premium in India. Source: Damodaran Online updated as on July 2024.
Beta (β)	1.35	Beta measures the market risk of equity securities and portfolio of equity securities. We have considered average unlevered beta of broadly comparable companies in the Logistics sector and relevered it to the targeted debt equity ratio of the Company
Company Specific Risk Premium – (CSRP)	2%	Company Specific Risk on Account of challenges in achievability of the future projections considering the high business risk, scalability risk, pricing and expansion risk and challenges for managing costs in a high growth phase.
Cost of equity (%) (Ke)	17.97%	$R_f + (MRP \times \beta) + CSRP$



- Perpetuity growth rate – 4%
For the terminal (perpetuity) period, we have considered the growth rate of 4%, considering the long-term sustainable industry growth and the expected growth rate of the economy in which the Company operates.
- Tax Rates – 25.17%
Tax rates are based on the effective tax rate as applicable, as confirmed by the Management. It is assumed that the losses can be carried forward and set-off against future profits. Therefore, tax rates have been applied for those years in which tax-outflow would be probable. Tax Rate = 22% [Base rate] + 10% [Surcharge, if applicable] + 4% [Cess].
- Cash flows estimated by the Management based on historical and future financial analysis, Management's strategy and business plan, expected economic performance and probable industry performances are analysed for forecast period. Projected incremental working capital based on working capital requirements and capital expenditure (capex) as estimated by the Management for the business operations along with expected income tax outflows are reduced to arrive at the free cash flows to the firm. These projected free cash flows are discounted to present value by multiplying the respective cash flows for each year with the respective discounting factor of each year of projection period and aggregated to arrive at the Sum of Net Present Value (NPV) of free cash flows during explicit period.
- The perpetuity value has been computed using the Gordon growth model. This is the value after projection period and hence has been discounted to present value by multiplying with discounting factor of last year of projection period.
- Sum of NPV and present value of Terminal value are aggregated to arrive at Enterprise Value.
- Enterprise value is adjusted for cash and cash like items, investments, and debts/other payables, if any, as on balance sheet date to arrive at Equity value.
- In order to arrive at the value per equity share, the present value of future cash flows available to Equity holders is divided by the total number of equity shares outstanding, as on the valuation date.



**FCA PAYAL GADA
REGISTERED VALUER (SFA)**

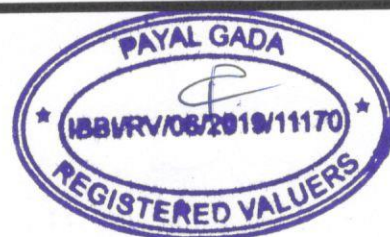
Net Worth Method / Net Asset Value (NAV) Method (Asset Approach)

The asset-based valuation technique is based on the value of the underlying net assets of the business. The value arrived at under this method is based on the latest available audited/ provisional financial statements of the Company and may be defined as Shareholders' Funds or Net Assets owned by the business.

Under this method, the net assets as per the financial statements are adjusted for market value of surplus / non-operating assets, potential and contingent liabilities if any. Since the Company has net assets, the Net Asset Value method is considered under the Asset Approach for valuation of the Company, based on the published audited financials / quarterly published results of the Company, as available in public domain, as of the relevant date.

Relevant workings are detailed in **Annexure B** below-

Annexure B -		Valuation of the Company using the Net Asset Value ("NAV") Method (Cost Approach)		
Particulars		Unit	Reference	Value
Total Assets as of	30/06/2024 (##)	INR Lacs	A	7,203.21
Total Liabilities as of	30/06/2024 (##)	INR Lacs	B	3,822.50
Net Asset Value (Equity Value) as of	30/06/2024 (##)	INR Lacs	C=A-B	3,380.71
Less : Book value of investments	30/06/2024 (##)	INR Lacs	D	0.87
Add : Fair value of investments		INR Lacs	E	0.87
Adjusted NAV		INR Lacs	F=C-D+E	3,380.71
Number of equity shares outstanding		Number in Lacs	G	4.90
Equity Value per share		INR per share	J=F/I	689.74
(##) Based on the unaudited balancesheet as made available to us by the Management				



Valuation Analysis

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuer and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality and integrity of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognised in judicial decisions.

We have considered the valuation methods as deemed appropriate, and as detailed, in the "Valuation Approaches and Methodologies" section of our Report and applied weights, as deemed appropriate, to the values determined using each of the applicable methods to arrive at our value recommendation.

As per ICAI Valuation Standards, , a valuer may apply Income Approach for valuation ,if an asset is an income producing asset for which the future cash flows are available and can reasonably be projected. The cash flows have been made available to us by the Management.

We could not use the MP method under Market approach as the shares of the Company are meagrely traded and the CCM method under Market approach , as the Issuer Company does not have direct market comparables or comparable transaction. ;

As such, we have applied 100% weight to the value estimated using the DCF method under the Income approach, to capture the earnings potential of the Company which is based on internal factors, such as the future economic benefits that the company can generate for a business owner (or investor) and to capture its value based on true earnings potential and economic benefits for a representative single period.
for

We have applied balance 0% weight to the value computed using the ANAV method under the Asset approach, as the asset values reflected in books of accounts do not represent value of earnings potential of the Company's business , the Company's assets base does not exceed its earnings capability and also that, it ignores the future return the assets can produce and does not reflect how much the business is worth to someone who may buy or invest in the business as a going concern.. The Net Asset Value, generally serves as a broad benchmark of the minimum break-up value for any business. Further, NAV method is mainly used when maintainable profit of the entity cannot be estimated accurately or is more suitable for cases where the firm is to be liquidated i.e., it does not meet the "going concern" criteria, which is not the case with the Issuer Company.



**FCA PAYAL GADA
REGISTERED VALUER (SFA)**

On the basis of our valuation as discussed under 'Valuation Analysis' Section of this report, the fair equity value of **AIL** as at relevant date, is summarized as under –

Annexure I - Fair Valuation Summary						
Valuation Approach	Valuation method	Unit	Company			
			Annexure Reference	Value	Weight	Weighted Value
				INR per equity share		
				(i)	(ii)	(iii) = (i) * (ii)
Market	Market price (#)	INR per share		-	-	-
Income	Discounted Cash Flow	INR per share	A	985.33	100.00%	985.33
Asset	Net Asset Value	INR per share	B	689.74	0%	-
Fair Value		INR per share			100%	985.33

(#) We have not considered the Market Price method under the Market Approach as the shares of the Issuer Company are infrequently traded as per the applicable ICDR Regulations and further that there is meagre trading of over past one year

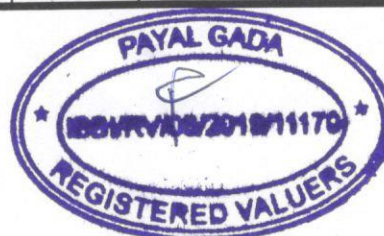


**FCA PAYAL GADA
REGISTERED VALUER (SFA)**

Value Recommendation

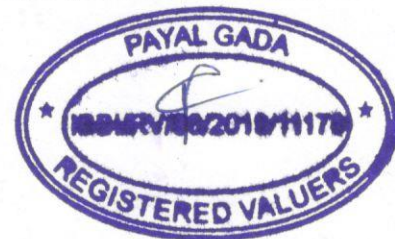
On the basis of our fair valuation, as summarized above in Annexure I, the floor Price for preferential issue, in accordance with Regulation 166A and the pricing guidelines under Regulation 165, as at Relevant date, is summarized as under –

Valuation Summary of the Company under ICDR Regulations				
Particulars	Unit	Reference	Value	Remarks
Floor Price as Regulation 165	INR per share	A	985.33	Refer Annexure I
Fair Value (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)	INR per share	B	985.33	Refer Annexure I
Floor Price per share as per Regulation 166A(1)	INR per share	C=Max of A and B	985.33	

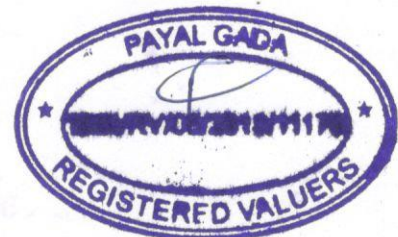


Statement of Limiting Conditions

- Valuation analysis and results are specific to the purpose of valuation mentioned in this report as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- We owe responsibility to only the Client that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this valuation report. Our valuation report cannot be used for any other purpose except as stated in the Engagement Background. Our Valuation Report can be shared by the Client with its Advisors, Merchant Bankers, SEBI and other authorities purely in connection with the proposed transaction.
- We have relied on information as available in public domain and as made available to us. We assume no responsibility for the accuracy and completeness of information and will not be held liable for it under any circumstances. We have not conducted an audit, or due diligence, or reviewed / validated the data made available to us.
- Our analysis is based on the market conditions and the regulatory environment that currently exists. However, changes to the same in the future could impact the company and the industry it operates in, which may impact our valuation analysis.
- Neither we nor any of our affiliates are responsible for updating this report because of events or transactions occurring subsequent to the date of this report.
- The valuation analysis and result rely upon the information substantively contained herein.
- We have obtained a general representation from Client confirming that the Client has provided us with all the relevant information, knowledge, supporting documents completely and correctly and that no material information has been concealed or withheld or misrepresented by the Client.
- The Investors need to undertake their own analysis and also appoint experts to obtain an independent view before investing or divesting in the valuation subject. Our report cannot be relied upon by the current or potential investors to undertake any investment/divestment decision.
- Provision of valuation opinions and consideration of the issues described herein are areas of our regular valuation practice. The services do not represent accounting/assurance/ tax /legal/financial/commercial/environmental due diligence, consulting or tax related services or forensic/ investigation services that may otherwise be provided by us or our affiliates and does not include verification or validation work.



- The valuation report was prepared for the purpose of complying with provisions of Companies Act, 2013, SEBI Regulations and is for the confidential use of the Client only. Its suitability and applicability of any other use has not been checked by us. Neither the valuation report nor its contents may be disclosed to any third party without our prior written consent. We retain the right to deny permission for the same. The Report is only for regulatory compliances and/or regulatory filings under the specific Statute under which this Report is issued and as such cannot be disclosed or discussed with any third party. It is inappropriate to use this Report for financing or any purpose other than the purpose mentioned above. We are not responsible for the unauthorized use of this Report. We shall not assume any responsibility to any third party to whom the Report is disclosed or otherwise made available. Unless required by law, it shall not be provided to any third party without our prior written consent. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom this report is disclosed or otherwise made available.
- The Report assumes that the Company complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that it 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 the following matters -
 - (1) Matters of a legal nature, including issues of legal title and compliance with local laws, and
 - (2) Litigation and other contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Company.
- In accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements.
- The valuation analysis and results are governed by concept of materiality.
- We have been given to understand by the Management that it has made sure that no relevant and material factors have been omitted or concealed or given inaccurately by people assigned to provide information and clarifications to us for this exercise and that it has checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. We have assumed that the information provided to us presents a fair image of the Company's activities and the shares being valued at the Valuation Date. Therefore, PG will accept no responsibility for any error or omission in the Report arising from incorrect information provided by Management. Also, we assume no responsibility for technical information furnished by the Management and believed to be reliable.



- The opinion(s) rendered in the Report only represent the opinion(s) of PG based upon information furnished by you and others on your behalf and other sources and the said opinion(s) shall be considered advisory in nature. Our opinion is however not for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.
- The fee for the Report is not contingent upon the results reported.
- While performing this assignment, we have assumed genuineness of all signatures and authenticity of the documents/details and/or copies of the documents furnished to us by the Management or on behalf of the Management.



Sources of information

In connection with this exercise, we have used the following sources of information -

- Business profile of the Company
- Audited financial statements of the Company for the year ended 31.03.2024, 31.03.2023 and 31.03.2022.
- Quarterly published results of the Company for the quarter ended 30.06.2024.
- Unaudited financial statements of the Company for the quarter ended 30.06.2024
- Financial projections for the forecast period beginning from 01.04.2024 to 31.03.2029
- External sources - BSE
- Relevant extract of the Articles of Association of the Company
- Control premium Study report published by Incwert Valuation Chronicles Series 6 2023
- Representation from the Management that the details/documents available in public domain, as of the relevant date, need to be considered for valuation and that the Management has made sure that no relevant and material factors have been omitted or concealed

During the discussions with the Management, we have also obtained explanations and information considered reasonably necessary for our exercise.

Procedures conducted

The Procedures conducted by us are:

1. Requested and received all required information from the Management.
2. Run through of the relevant extract of the AOA of the Company
3. Review of the audited historical financial statements of the Company.
4. Discussions with the Management on understanding the profile and business operations of the Company.
5. Projections provided by Management were broadly analysed.
6. Evaluated the various valuation methods and estimated the value using each of the applicable methods.
7. Assigned appropriate weights to the values derived using each of the applicable methods and arrived at the value recommendation taking cognizance of the AOA and the applicable SEBI ICDR Regulations to arrive at the value recommendation.
8. Prepared and issued valuation report.

