

**VALUATION REPORT ON
EQUITY SHARES**

BEW ENGINEERING LIMITED

CIN: L74120MH2011PLC216096

(Private and Confidential)

Prepared by:

VASUDEVAN.S

(IBBI REGISTERED VALUER)

Registration No: IBBI/RV/05/2019/11704

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Date: 24/01/2024

To,

**The Board of Directors
Bew Engineering Limited.**

FE-10, M.I.D.C. Industrial Area,
Phase II, Manpada Road,
Dombivli East. Dist. Thane Dombivli
Thane MH 421204 IN.

Dear Sir/Madam,

Subject: Valuation of Equity Shares under the Companies Act, 2013

I. PURPOSE

I have been engaged by BEW ENGINEERING LIMITED having its registered office at FE-10, M.I.D.C. Industrial Area, Phase II, Manpada Road, Dombivli East. Dist. Thane - 421204. (Hereinafter referred to as "BEL" or "Company").

BEL, a Company incorporated in India, planning to Value its Equity Shares under **Regulation 166A of the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022 ("ICDR Regulations")**, read with the provisions of the companies Act 2013 and other applicable the provision of Companies Act, 2013 Hence, for this purpose stated, BEL Require a Valuation Report on the Equity Shares of the Company.

Accordingly, as per the request received from the management of the BEL, I am valuing the Equity shares of the Company.

The information contained herein and our report is confidential. It is intended only for the sole use and information of the Company, and only in connection with the purpose mentioned above. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the purpose as aforesaid, can be done only with our prior permission of the valuer in writing.



II. ABOUT THE VALUER

Mr. Vasudevan. S is a valuer registered with Insolvency and Bankruptcy Board of India (“IBBI”) with Registration No.: IBBI/RV/05/2019/11704 for the purpose of carrying out the said valuation of the company.

III. BACK GROUND / INFORMATION ABOUT BEL

BEW ENGINEERING LIMITED is a Public incorporated on 11 April 2011. It is classified as Non-govt. Company and is registered at Registrar of Companies, Mumbai. Its authorized share capital is Rs. 15,00,00,000 and its paid-up capital is Rs. 2,91,21,670. It is involved in the business of engineering, engineering activities and/or services, and engineers in all branches of work whatsoever known to engineering, fabrication, machinery jobs, electrocution works, steel makers, fabricators, iron founders, welders, tool makers, brass, in copper, aluminium and other metal founders, sheet metal workers, boiler makers, mill wrights, machinists, iron and steel converters, smiths, wheel- wrights, metallurgists, castings, pressings, forgings, stamping, water supply engineers, steel makers, wire drawers, tube pipe and tool manufacturers, moulders, fitters, saddlers, galvanisers, enamellers, electroplaters, painters, japaners, annealers, silverplaters, nickelplaters, vanishers, painters, vulcanisers, packing case makers, containers drums, pressure vessel in all their respective branches, enamelers, smelters repair, convert, alter, let on loan or hire and deal in explosive, ammuniton, water proofed, plastersmetals, plant and equipment machinery of all kinds, tools, appliances, instrumentsimplements, rolling stock, mechanical scientific appliances, devices, apparatus and hardwares, and to work as traders, stockists, dealers, buyers, sellers, importers, exporters, suppliers of engineering materials, spare parts, raw materials and similar type of goods and jobs in India and abroad.

BEW Engineering Limited's Annual General Meeting (AGM) was last held on 20th September, 2023 and as per records from Ministry of Corporate Affairs (MCA), its balance sheet was last filed on 31 March 2023.

BEW Engineering Limited's Corporate Identification Number is (CIN) L74120MH2011PLC216096 and its registration number is 216096. Its Email address is cs@bewltd.com and its registered address is FE-10, M.I.D.C. Industrial Area, Phase II, Manpada Road, Dombivli East. Dist. Thane Dombivli Thane MH 421204 IN. Current status



of BEW Engineering Limited is - Active

IV. MANAGEMENT AND BOARD OF DIRECTORS

Directors of Bew Engineering Limited are Ratnakar Venkappa Rai, Rohan Prakash Lade, Prakash Bhalchandra Lade, Ravikant Moreshwar Mhatre, Yogesh Khakre and Sheela Prakash Lade

Director Details

DIN	Director Name	Designation	Appointment Date
00126309	<u>RATNAKAR VENKAPPA RAI</u>	Director	02 November 2020
00460811	<u>ROHAN PRAKASH LADE</u>	Managing Director	11 April 2011
02122493	<u>PRAKASH BHALCHANDRA LADE</u>	Director	20 September 2011
06362676	<u>RAVIKANT MORESHWAR MHATRE</u>	Director	02 November 2020
07504319	<u>YOGESH KHAKRE</u>	Director	31 March 2021
09137915	<u>SHEELA PRAKASH LADE</u>	Director	01 April 2021

Company details

CIN	<u>L74120MH2011PLC216096</u>
Company Name	BEW ENGINEERING LIMITED
Company Status	Active
ROC	ROC – Mumbai
Registration Number	216096
Company Category	Company limited by Shares



Company Sub Category	Non-govt company
Class of Company	Public
Date of Incorporation	11 April 2011
Age of Company	12 years, 9 month, 26 days
Activity	To carry on the business of engineering, engineering activities and/or services, and engineers in all branches of work whatsoever known to engineering, fabrication, machinery jobs, electrocution works, steel makers, fabricators, iron founders, welders, tool makers, brass, in copper, aluminum and other metal founders, sheet metal workers, boiler makers, mill wrights, machinists, iron and steel converters, smiths, wheel- wrights, metallurgists, castings, pressings, forgings, stamping, water supply engineers, steel makers, wire drawers, tube pipe and tool manufacturers, moulders, fitters, saddlers, galvanisers, enamellers, electroplaters, painters, japaners, annealers, silverplaters, nickelplaters, vanishers, painters, vulcanisers, packing case makers, containers drums, pressure vessel in all their respective branches, enamellers, smelters repair, convert, alter, let on loan or hire and deal in explosive, ammuniton, water proofed, plasters metals, plant and equipment machinery of all kinds, tools, appliances, instruments implements, rolling stock, mechanical scientific appliances, devices, apparatus and hardwares, and to work as traders, stockists, dealers, buyers, sellers, importers, exporters, suppliers of engineering materials, spare parts, raw materials and similar type of goods and jobs in India and abroad..

V. CONTACT DETAILS

Email ID: cs@bewltd.com

Website: <https://www.bewengineering.in>

Address: FE-10, M.I.D.C. Industrial Area, Phase II, Manpada Road, Dombivli East, Dist. Thane Dombivli Thane MH 421204 IN



VI. PROFILE OF THE COMPANY

BEL was incorporated in the year 2011, however Promoter of the company, Mr. Prakash Lade has been in this business since 1974.

First manufacturing facility was set up by Mr. Prakash Lade and Mr. V Khokrale in Partnership firm viz. Bifriends Engineering Works.

Second manufacturing facility was set up in 1993 under group company Sterling Fabricating Engineers Private Limited.

BEL was established in 2011 to consolidate the operations of BEW group under one roof. In January 2018, Lade family took 100% management control of the group by buying out Khokrale family's stake in the Company.

BEL Company is engaged in design and manufacture of Pharmaceutical & Chemical plants and process equipment.

BEL design and manufacture special range of filtration, mixing and drying equipments specifically used in Pharmaceuticals, Sterile Applications, Intermediate Compounds, Fine Chemicals, Chemicals, Agro Chemicals, Pesticides, Insecticides, Dyes and Food Products. These equipments are manufactured from material such as Stainless Steel, Alloy Steel, Hastelloy etc. with various linings as per International Codes:

a) IS b) BS c) ASME d) TEMA e) DIN f) CE Marks etc.

BEL Competitive Strengths

1. Strong Brand value and repeat Customer orders
2. Cost effective and Quality Manufacturing
3. Pan India after sales Support Teams
4. Strong Leadership Team

Business Strategy of BEL

1. Focused Industry Segment
2. No Credits or Least Credit period



3. Competitive Pricing

4. No Marketing

Major Products of BEL

Following is list of key products:

- a. Agitated Pressure Nutsche Filter Dryer (ANFD)
- b. Rotocone Vacuum Filter Dryers (RVFD)
- c. Cantilever Rotocone Vacuum Dryer (RCVD)
- d. Retractable Plough Shear Mixer Dryer
- e. Agitated Pan Dryer f. Rotary Vacuum Paddle Dryer (RVPD)
- g. Spherical Dryer

VII. PURPOSE OF VALUATION

Based on discussion with the management, I understand that the Company's Board of Directors are evaluating the possibility of Issuing further securities to prospective Investors. The management of BEL wishes to estimate Fair Value of Equity Shares as per the provisions” of **SEBI ICDR Regulations and under the Companies Act, 2013** and applicable rules there under. In the context the proposed transaction, the Board of Directors requires my assistance in determining the **fair value of Equity Shares** of the Company -

The Valuation date is 24th January 2024 and the report dated at 24th January 2024.

The share capital and holding structure of the Company, on a fully diluted basis, as on date of this report is as under:

VIII. SHARE CAPITAL

Particulars	Amount in INR
Authorized Share Capital	15,00,00,000
Issued, Subscribed and Paid up Capital	2,91,21,670

*Face value of Rs. 10/- each.



IX. APPOINTING AUTHORITY

I have been assigned with this project of valuation of the shares of the Company by the Board of Directors of the Company and engagement letter for this project has been signed by the Director of the Company, on 22nd January 2024.

X. DISCLOSURE OF VALUER'S INTEREST / CONFLICT

The Valuer is not related to the Company or its promoters or its director or their relatives, the valuer has not any interest or confliction of interest with respect to the valuation under consideration.

XI. SOURCES OF INFORMATION

I have been provided with the following information by the management of BEL for the valuation purpose as aforesaid:

- For the purpose of the valuation exercise, I have relied upon the following sources of information provided by the management.

The Analysis is based on a review of the information provided by the Management and information relating to sector as available in the public domain. Specifically, the sources of information include.

- Details of Shareholding and numbers of Equity Shares as on March 31, 2023;
- Details of shares are traded on NSE up to January 20, 2024
- Discussions with the Management of the Company;
- All Company specific Information were sourced from the management of the Company, either in the written hard copy or in digital form;
- Management representations
- Other information/data available in public domain and stock exchanges.

In addition to the above, I have also obtained such other information and explanations from the Company as were considered relevant for the purpose of the valuation. It may be mentioned that the Management has been provided the opportunity to review my draft report as part of our standard practice to make sure that factual inaccuracies are avoided in my final report.



XII. APPROACHES CONSIDERED IN OUR VALUE ANALYSIS

General Principle for 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.

Broadly there are three approaches of Valuations which are as follows:

- a) “Net Asset Value” approach
- b) “Income” approach
- c) “Market” Approach

IN SUMMARY

The application of any method of valuation depends on the purpose for which the valuation exercise is performed; relevance of each method under the circumstances of the case and other factors as determined appropriate.

- **Net Asset Value Approach:** This method takes into account the value of the assets of the business or the net worth as represented in the financial statements of the Company. For the purposes of arriving at NAV per share, total outside liabilities shall be reduced from the value of the total assets and the net figure so arrived at shall be divided by the number of equity shares issued and paid-up. The Net Asset Value Is generally used as the minimum break-up value for the transaction since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern.
- **Income Approach:** The Company is valued on the assumption of going concern with growth in revenue over explicit period. This approach to be appropriate to arrive at a business value using the DCF method wherein future expected cash flows have been discounted to arrive at business value of the company.
- **Market Approach:** The market approach is a method of determining the value of shares based on the quoting price in the respective stock exchange where the shares have been listed.



I. A relative valuation model is also part of Market approach a business valuation method that compares a company's value to that of its competitors or industry peers to assess the firm's financial worth. METHOD OF VALUATION ADOPTED

As elaborated in the previous section, the following methods have been considered in the process of Valuation, which is discussed at length:

1.1 Income Approach – Discounted Free Cash Flow Method

- The primary concept behind this method is to value a unit/business based on its earning capacity. Cash Flow is linked with all other fundamentals of the business like growth, capital requirements, risk involvement or uncertainty, etc. Thus valuation under this method is based on the earning capacity of the business.
- This method uses financial projections to determine the value of business or value of ownership based on future income for several periods and terminal value after expiry of that period. A discount rate is employed to convert those future values to its present value.
- Free Cash Flows to Equity (FCFE) or Free Cash Flow to Firm (FCFF) are discounted at the appropriate rate, that is, the Cost of Capital to arrive at the fair value of the CGU as on the valuation date.
- The basic data for this method, is the Projected Financial Statements, which was prepared by the Management and was checked to confirm the achievability.
- An appropriate discount rate was arrived at to discount the yearly cash flows and the terminal value.

1.1.1 Methodology

- The projected financial statements of the Company were provided for five years, i.e, from financial year 2023-24 to financial year 2027-28. These projections were provided by the management based on the future trend of the Company's performance and market needs.



1.2 FREE CASH FLOW TO EQUITY

FREE CASH FLOWS TO EQUITY-VALUATION –DCF

Based on the projections, the Free Cash Flow to Equity has been computed.

Rs in Lakhs

PARTICULARS	FY2024	FY2025	FY 2026	FY 2027	FY 2028	
	1	2	3	4	5	
	EST	PROJ.	PROJ.	PROJ.	PROJ.	
Profit Before Tax	194657180	322601556	412965919	611339295	670892807	
Less: Income Tax	53530724	88715428	113565628	168118306	184495522	
PAT	141126455	233886128	299400291	443220989	486397285	
Add; Depreciation as per Income Tax	11237642	9916468	8783835	7805939	6956496	
Cash Operating Profit	152364097	243802596	308184127	451026928	493353781	
Increase in working capital	481520982	-72839925	180926816	294083845	149198551	
Capital expenditure	157259110	0	0	0	0	
Interest -(1-t)	35443836	10584086	8798992	6800538	5247944	
Free Cashflow to Firm	-	-450972159	327226607	136056304	163743622	349403173
Discount factor	112.72.%	0.89	0.79	0.70	0.62	0.55
Present Value	-400075865	257533573	94994078	101422632	191995015	
PV of Projected Year Cash flows	245869433					
PV of Terminal Year cash flows	2610769528					
Total EV	2856638962					
Less : Debt as on 31.3.2023	432258000					
Add: Net Cash	34241506					
Equity Value	2458622468					
Less: Illiquidity Discount	0					
EQUITY VALUE	2458622468					
No of Share outstanding	2912167					
Value per Share	844.26					
Premium per share (face Value /NR 10)	834.26					



1.3 ASSUMPTIONS:

GENERAL ASSUMPTIONS

1. Going Concern

The Unit has been valued as a going concern, that is, as continuing to operate in the foreseeable future. It is assumed that the Company has neither the intention nor the necessity of liquidation or of curtailing materially the scale of its operations/unit..

2. Consistency

It is assumed that the accounting policies of the Company have been consistently applied from one period to another and will continued to be so in the foreseeable future.

3. Accrual

It is taken that the revenues and costs are accrued, that is, recognized as they are earned or incurred (and not as money is received or paid) and recorded in the financial statements of the periods to which they relate. Correspondingly, it has been assumed that assets and liabilities are initially recorded in the books of accounts when the right to receive or obligation to settle arises respectively and not when the actual receipt or settlement is done.

4. SPECIFIC ASSUMPTIONS

BEL - Valuation Assumptions

Sl No	Particulars	Data
1	Tax Rate-(t)	0.27
2	1-t	0.73
3	Debt/Equity-based on 31.03.2023	1.622
3a	Debt	432258000.00
3b	Equity-Networth	266507506.25
3c	Debt weight	0.6186
3d	Equity Weight	0.3814
4	Beta is a statistical measure that compares the volatility of a stock against the volatility of the broader market, which is typically measured by a reference market index. Since the market is the benchmark, the market's beta is always 1. When a stock has a beta greater than 1, it means the stock is expected to increase by more than the market in up markets and decrease more than the market in down markets. Conversely, a stock with a beta lower than 1 is expected to rise less than the market when the market is moving up, but fall less than the market when the market is moving down.	



4.a	unlevered Beta -as per per prof. Aswath Damodran research report dated 5.01.2024 on Beta industrywise-Engineering industry-unlevered Beta	0.91
4.b	The act of "unlevering" or relevering <u>beta</u> involves extracting the impact of debt obligations of a company before evaluating an investment's risk in comparison to the market. <u>Unlevered beta</u> is considered useful because it helps to show a firm's asset risk compared with the overall market. For this reason, the unlevered beta is also sometimes referred to as the asset beta.	
4.c	Levered Beta = Unlevered Beta × [1 + (1 – Tax Rate) × (Debt ÷ Equity)]	
5	Relevered Beta	1.98
6	Risk Free rate-(Rf)-RBI 10 years bond rate on 24.01.2024-Source www.investing com.	7.19%
7	RETURN MARKET-(Rm)	12.69%
	As on March 31,2013	18,890.81
	As on. January24,2023	71,149.61
	https://www.bseindia.com/Indices/IndexArchiveData.html	
	(End Value/Starting Value) ^{1/n-1}	
	Market Return	12.69%
8	Cost of Equity-(Ke)-Rf+B(Rm-Rf)	18.09%
9	Internal risk	3.00%
10	Adjusted Ke	21.09%
11	Cost of Debt-	10.41%
12	Post Tax Cost of debt	7.56%
13	Weighted cost of Debt	4.68%
14	Weighted cost of Equity	8.04%
15	Weighted Cost Of Capital (WACC)	12.72%
16	1+WACC	112.72%
17	Terminal Value/Perpetuity-The terminal value refers to the present value of the business as a going concern beyond the period of projections up to infinity. This value is estimated by taking into account expected growth rates of the business in future, sustainable capital investments required for the business, industry and economy. Based on dynamics of the sector and discussions with the Management, I have assumed a terminal growth rate of 5% for the Company beyond the projection period. Accordingly, beyond the explicit forecast period, sales have been considered to grow year on year at the rate of 5%. fifth year cash flow is being used	
18	5 th year cash flow	34,94,03,173.50
19	TV = (FCFn x (1 + g)) / (WACC – g)	4,75,12,23,149.42
20	Discounting factor	0.55
21	Present value of Terminal value	2,61,07,69,528.44
22	Growth Rate-	0.0500
23	1+g	1.0500



Revenues

It is involved in business of Tours and Travels operation and Services. Hence, the market potential, growth and cash flows have been appropriately considered.

5. Projected Financial Statements

The Projected Financial Statements have been prepared by the Management. These have been considered for the purpose of Valuation of Shares.

6. Others

Other assumptions about growth rate, discount rate, terminal value etc. have been discussed in the preceding section(s) of this Report.

II. EXTRACT OF APPLICABLE LAWS, INSTRUCTIONS AND STANDARDS

1. ICAI Valuation Standard 101 – Definitions
2. ICAI Valuation Standard 102 - Valuation Bases
3. ICAI Valuation Standard 103 - Valuation Approaches and Methods
4. ICAI Valuation Standard 201 - Scope of Work, Analyses and Evaluation
5. ICAI Valuation Standard 202 - Reporting and Documentation
6. ICAI Valuation Standard 301 - Business Valuation

These valuation standards have been used elsewhere in the report

1. INDIAN VALUATION STANDARDS 101 – DEFINITIONS

1.1 Business Valuation-ICAIIV-301

“It is the act or process of determining the value of a business enterprise or ownership interest therein.” ICAI VS 301 should be applied in valuation for business and business interest, . Business valuation is required for transactions including fund raising, mergers & acquisitions (M&A), sale of businesses, strategic business decisions like family or shareholders disputes, voluntary value assessment and also for regulatory compliance, tax and financial reporting

1.2 Discount Rate

“Discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the



asset being valued as well as the risk inherent in achieving the future cash flows.”

1.3 Discounted Cash Flow Method

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

1.4 Fair Value

“Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.”

1.5 Going Concern Value

“It refers to the value of a business enterprise that is expected to continue to operate in the future.”

1.6 Terminal Value

“Terminal value represents the present value at the end of explicit forecast period of all subsequent cash flows to the end of the life of the asset or into perpetuity if the asset has an indefinite life.”

1.5 .Market Price Method

- **Approach Market Price Method** The value of an equity share, as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in.

BEL is a listed on the NSE . The shares of BEL are frequently traded in terms of regulation164(5) of the ICDR Regulations.

Regulation164(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 recognized stock exchange during the 90 and 10 trading days preceding the relevant date, is at least ten percent 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."

The equity shares of the Company are traded on the NSE

Relevant date in case of preferential issue of equity shares is defined in regulation161(a) the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue". In this case the meeting of the shareholders is proposed to be held on February 19, 2024 and as such the relevant date for computation of trading volume is January 20, 2024.

In this case 13.47% of the total number of shares are traded on NSE during the 240 trading days preceding the relevant date as detailed below.

As such, we have considered the values under this method to be higher of the following two prices, In compliance with the pricing guidelines of regulation164(1) of ICDR regulations -

- Volume weighted Average Price ("VWAP") of 90 trading days preceding the relevant date
- Volume weighted Average Price ("VWAP") of 10 trading days preceding the relevant date
- Volume weighted average price ("VWAP") of 90 trading days preceding the relevant date is attached
- Volume weighted average price ("VWAP") of 10 trading days **preceding the** relevant date is attached as detailed below

METHOD	SHAREPRICE(INR)
MARKET PRICE METHOD	
1.VVAP90 TRADING DAYS	1441.96
2.VVAP90 TRADING DAYS	1418.57
3.HIGHER OF THE ABOVE	1441.96



BEW ENGINEERING LIMITED**Relevant Date: 20/01/2024**

Sr. No	Date	High	Low	close	vwap	Volume	Value
1	Friday, 19 January, 2024	1,739.80	1,450.00	1,644.05	1,642.35	22,375	3,67,47,550.00
2	Thursday, 18 January, 2024	1,450.00	1,430.00	1,449.85	1,439.91	1,875	26,99,831.25
3	Wednesday, 17 January, 2024	1,431.00	1,421.00	1,430.00	1,428.67	1,500	21,43,000.00
4	Tuesday, 16 January, 2024	1,435.20	1,400.00	1,413.40	1,414.34	1,250	17,67,925.00
5	Monday, 15 January, 2024	1,449.00	1,380.00	1,435.20	1,408.09	6,750	95,04,631.25
6	Friday, 12 January, 2024	1,387.00	1,315.00	1,381.40	1,358.81	1,750	23,77,918.75
7	Thursday, 11 January, 2024	1,388.00	1,388.00	1,388.00	1,388.00	125	1,73,500.00
8	Wednesday, 10 January, 2024	1,388.00	1,375.00	1,388.00	1,379.33	375	5,17,250.00
9	Tuesday, 9 January, 2024	1,375.00	1,341.00	1,375.00	1,363.27	1,375	18,74,500.00
10	Monday, 8 January, 2024	1,370.00	1,359.95	1,360.00	1,362.97	1,750	23,85,193.75
11	Friday, 5 January, 2024	1,380.00	1,322.00	1,360.00	1,345.77	1,625	21,86,881.25
12	Thursday, 4 January, 2024	1,394.90	1,351.00	1,375.00	1,379.32	750	10,34,487.50
13	Wednesday, 3 January, 2024	1,395.00	1,392.95	1,395.00	1,393.65	375	5,22,618.75
14	Tuesday, 2 January, 2024	1,390.00	1,351.00	1,363.50	1,360.30	875	11,90,262.50
15	Monday, 1 January, 2024	1,407.40	1,390.00	1,390.00	1,401.60	375	5,25,600.00
16	Friday, 29 December, 2023	1,445.00	1,358.10	1,407.40	1,408.67	5,875	82,75,962.50
17	Thursday, 28 December, 2023	1,380.00	1,379.80	1,379.80	1,379.94	500	6,89,968.75
18	Wednesday, 27 December, 2023	1,380.00	1,340.00	1,380.00	1,364.98	1,000	13,64,975.00
19	Tuesday, 26 December, 2023	1,408.95	1,363.00	1,365.00	1,378.98	375	5,17,118.75
20	Friday, 22 December, 2023	1,363.00	1,362.00	1,363.00	1,362.40	625	8,51,500.00
21	Thursday, 21 December, 2023	1,365.00	1,319.95	1,365.00	1,326.93	2,000	26,53,868.75



Sr. No	Date	High	Low	close	vwap	Volume	Value
22	Wednesday, 20 December, 2023	1,375.25	1,299.00	1,299.65	1,317.73	750	9,88,293.75
23	Tuesday, 19 December, 2023	1,387.00	1,350.00	1,375.25	1,375.25	1,000	13,75,250.00
24	Monday, 18 December, 2023	1,380.00	1,330.00	1,346.85	1,355.33	1,875	25,41,237.50
25	Friday, 15 December, 2023	1,400.00	1,380.00	1,380.50	1,387.00	375	5,20,125.00
26	Thursday, 14 December, 2023	1,459.00	1,367.00	1,400.00	1,377.09	3,375	46,47,675.00
27	Wednesday, 13 December, 2023	1,474.00	1,284.00	1,453.50	1,351.29	9,125	1,23,30,562.50
28	Tuesday, 12 December, 2023	1,479.00	1,280.00	1,398.30	1,315.45	12,250	1,61,14,275.00
29	Monday, 11 December, 2023	1,470.00	1,450.00	1,470.00	1,463.33	375	5,48,750.00
30	Friday, 8 December, 2023	1,497.00	1,440.00	1,440.00	1,470.78	1,125	16,54,625.00
31	Thursday, 7 December, 2023	1,500.00	1,490.00	1,491.50	1,497.17	750	11,22,875.00
32	Wednesday, 6 December, 2023	1,485.00	1,445.00	1,485.00	1,458.67	375	5,47,000.00
33	Tuesday, 5 December, 2023	1,461.00	1,376.00	1,457.05	1,392.81	8,250	1,14,90,681.25
34	Monday, 4 December, 2023	1,469.95	1,445.00	1,445.00	1,457.71	1,375	20,04,350.00
35	Friday, 1 December, 2023	1,485.00	1,422.05	1,473.00	1,470.43	1,750	25,73,256.25
36	Thursday, 30 November, 2023	1,485.00	1,434.00	1,485.00	1,474.80	625	9,21,750.00
37	Wednesday, 29 November, 2023	1,435.45	1,380.00	1,385.00	1,392.58	2,250	31,33,312.50
38	Tuesday, 28 November, 2023	1,405.45	1,350.00	1,405.45	1,386.46	2,125	29,46,237.50
39	Friday, 24 November, 2023	1,444.90	1,385.00	1,405.45	1,410.26	5,125	72,27,581.25
40	Thursday, 23 November, 2023	1,475.00	1,420.00	1,432.50	1,450.67	2,250	32,64,000.00
41	Wednesday, 22 November, 2023	1,501.00	1,465.00	1,475.00	1,480.75	1,000	14,80,750.00
42	Tuesday, 21 November, 2023	1,510.15	1,500.00	1,510.00	1,503.33	1,250	18,79,156.25
43	Monday, 20 November, 2023	1,525.00	1,518.00	1,522.55	1,521.80	1,250	19,02,250.00
44	Friday, 17 November, 2023	1,520.00	1,453.00	1,519.85	1,499.59	1,625	24,36,837.50
45	Thursday, 16 November, 2023	1,529.95	1,511.00	1,511.00	1,519.66	750	11,39,743.75



Sr. No	Date	High	Low	close	vwap	Volume	Value
46	Wednesday, 15 November, 2023	1,515.00	1,460.00	1,515.00	1,493.21	2,125	31,73,062.50
47	Monday, 13 November, 2023	1,522.95	1,500.05	1,515.00	1,510.00	500	7,55,000.00
48	Sunday, 12 November, 2023	1,500.05	1,500.00	1,500.05	1,500.03	250	3,75,006.25
49	Friday, 10 November, 2023	1,520.70	1,498.00	1,520.70	1,505.19	500	7,52,593.75
50	Thursday, 9 November, 2023	1,534.90	1,475.00	1,499.50	1,494.44	2,000	29,88,875.00
51	Wednesday, 8 November, 2023	1,580.00	1,450.00	1,500.00	1,511.08	14,125	2,13,43,981.25
52	Tuesday, 7 November, 2023	1,659.00	1,657.95	1,659.00	1,658.78	625	10,36,737.50
53	Monday, 6 November, 2023	1,660.00	1,600.05	1,649.90	1,639.96	500	8,19,981.25
54	Friday, 3 November, 2023	1,674.00	1,640.00	1,646.50	1,652.33	1,125	18,58,875.00
55	Thursday, 2 November, 2023	1,658.00	1,605.00	1,617.25	1,637.96	1,000	16,37,956.25
56	Wednesday, 1 November, 2023	1,610.00	1,570.00	1,570.00	1,578.20	1,500	23,67,306.25
57	Tuesday, 31 October, 2023	1,669.95	1,625.00	1,640.00	1,644.86	2,500	41,12,137.50
58	Monday, 30 October, 2023	1,632.55	1,619.00	1,630.00	1,624.11	625	10,15,068.75
59	Friday, 27 October, 2023	1,640.00	1,600.00	1,605.00	1,620.36	2,750	44,56,000.00
60	Thursday, 26 October, 2023	1,570.00	1,520.00	1,570.00	1,551.00	1,250	19,38,750.00
61	Wednesday, 25 October, 2023	1,645.50	1,500.15	1,575.00	1,558.85	3,250	50,66,275.00
62	Monday, 23 October, 2023	1,665.00	1,600.00	1,660.80	1,646.99	1,750	28,82,237.50
63	Friday, 20 October, 2023	1,700.00	1,611.15	1,646.90	1,688.83	8,250	1,39,32,887.50
64	Thursday, 19 October, 2023	1,671.10	1,670.05	1,670.05	1,670.42	750	12,52,812.50
65	Wednesday, 18 October, 2023	1,714.00	1,665.00	1,670.05	1,686.82	1,750	29,51,937.50
66	Tuesday, 17 October, 2023	1,718.00	1,697.00	1,706.65	1,708.00	10,000	1,70,79,950.00
67	Monday, 16 October, 2023	1,728.00	1,640.00	1,702.65	1,699.66	10,750	1,82,71,387.50
68	Friday, 13 October, 2023	1,638.35	1,612.00	1,612.00	1,632.34	1,500	24,48,512.50
69	Thursday, 12 October, 2023	1,687.00	1,610.05	1,622.50	1,665.40	12,000	1,99,84,800.00



Sr. No	Date	High	Low	close	vwap	Volume	Value
70	Wednesday, 11 October, 2023	1,679.00	1,638.00	1,638.00	1,677.36	6,250	1,04,83,500.00
71	Tuesday, 10 October, 2023	1,659.95	1,612.80	1,650.00	1,639.63	1,500	24,59,437.50
72	Monday, 9 October, 2023	1,595.00	1,570.00	1,591.00	1,587.02	2,000	31,74,037.50
73	Friday, 6 October, 2023	1,665.65	1,635.10	1,640.00	1,644.15	1,250	20,55,187.50
74	Thursday, 5 October, 2023	1,655.00	1,620.00	1,642.50	1,633.18	2,250	36,74,650.00
75	Wednesday, 4 October, 2023	1,694.95	1,614.00	1,619.50	1,638.53	2,250	36,86,687.50
76	Tuesday, 3 October, 2023	1,730.00	1,690.00	1,694.95	1,702.78	2,500	42,56,937.50
77	Friday, 29 September, 2023	1,789.00	1,680.00	1,698.90	1,732.76	7,750	1,34,28,862.50
78	Thursday, 28 September, 2023	1,645.00	1,541.05	1,609.00	1,585.39	9,250	1,46,64,900.00
79	Wednesday, 27 September, 2023	1,664.90	1,574.95	1,653.55	1,613.54	13,000	2,09,75,962.50
80	Tuesday, 26 September, 2023	1,610.00	1,510.00	1,557.65	1,559.10	18,000	2,80,63,800.00
81	Monday, 25 September, 2023	1,582.95	1,390.00	1,512.90	1,459.39	66,000	9,63,20,037.50
82	Friday, 22 September, 2023	0.00	0.00	0.00	0.00	0	0.00
83	Thursday, 21 September, 2023	1,390.00	1,390.00	1,390.00	1,390.00	250	3,47,500.00
84	Wednesday, 20 September, 2023	1,399.00	1,276.00	1,394.35	1,309.46	13,500	1,76,77,750.00
85	Monday, 18 September, 2023	0.00	0.00	0.00	0.00	0	0.00
86	Friday, 15 September, 2023	1,380.00	1,379.45	1,380.00	1,379.82	750	10,34,862.50
87	Thursday, 14 September, 2023	1,380.00	1,378.90	1,379.45	1,379.60	750	10,34,700.00
88	Wednesday, 13 September, 2023	1,330.00	1,250.00	1,330.00	1,296.50	3,500	45,37,762.50
89	Tuesday, 12 September, 2023	1,351.00	1,350.00	1,350.00	1,350.70	1,000	13,50,700.00
90	Monday, 11 September, 2023	0.00	0.00	0.00	0.00	0	0.00



1.6-Relativevaluation

Relative valuation models are used to [value companies](#) by comparing them to other businesses based on certain metrics such as [EV/Revenue](#), EV/EBITDA, and P/E ratios. The logic is that if similar companies are worth 10x earnings, then the company that's being valued should also be worth 10x its earnings. This guide will provide detailed examples of how to perform relative valuation analysis.

These are collectively called “relative valuation” techniques, and consist of –

- Price/ Earnings (P/E)
- Price/Earnings to Growth (P/EG)
- Price/ Book Value (P/BV)
- Price/Sales Ratio (P/S)
- Price/Cash Flow (P/CF)

The reason these are called “relative” valuation techniques is because the value of an asset here is derived from the pricing of comparable or relative assets, standardized using a common variable such as earnings (P/E), cash flows (P/CF), book value (P/BV) or sales (P/S).

Two related /Peer companies HLE GLASSCOAT and GMM P FAUDLER have been identified as suggested by the Management.

HLE Glascoat Limited is a leading manufacturer of process equipment for chemical and pharmaceutical industries. and the largest manufacturers of Agitated Nutsche Filters and Dryers in the world, the second largest manufacturers of Glass Lined Equipment in India and the most preferred fabricator. Listed in NSE

GMM Pfaudler Ltd. is an Indian manufacture of engineering equipment and glass-lined equipment headquartered in [Karamsad, Gujarat](#).^{[4][5]}

GMM Pfaudler is a public listed company at National Stock Exchange ([NSE: GMPFAUDLR](#)) and Bombay Stock Exchange

These two companies multiples Price –Earnings Multiple BV Multiple and EBITDA multiples have been worked out as detailed below.



TURNOVER IN 2023	RS.incrores	WTS
HLE GLASSCOAT	939.57	0.23
GMM P FAUDLER	3229.54	0.77
	4169.11	1.00

RELATIVE VALUES MULTIPLE			
	HLE GLASSCOAT	GMM P FAUDLER	WTDA V
Price to Earnings (x)	49.26	39.68	41.84
Price to Book (x)	10.92	8.19	8.81
EV/EBITDA (x)	25.28	14.55	16.97

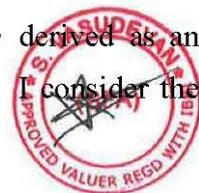
1.EARNIG PER SHARE	RS
Profit after tax ason 31.03.2023	73244200
No of shares outstanding as on 31.03.2023	2580667
Earning per Share	28.38
Price Earning Multiple	41.84
Equity Share Price	1187.47
2.PRICE TO BOOK VALUE	RS.
Equity as on 31.03.2023	25806670
Reserves& Surplus including Deferred Tax Liabs	251254836
Networth	277061506
No of Shares as on 31.03.2023	2580667
Book value	107.36
Price to Book	8.81
Equity share Price	945.33
3.EBITDA MULTIPLE	RS
EBITDA as as on 31.03.2023	152213500
EBITDA MULTIPLE	16.97
Enterprise Value	2582783426
Less Debts as on 31.03.2023	432258000
Add:cash and Cash Equivalent on 31.03.2023	34241506
Free Cashflow to equity	2184766932
No of equity shares as on 31.3.2023	2580667
Equity share Price	846.59



Equity Share Price as per Relative Valuation	993.13
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XIII. CAVEATS

- This document has been prepared for the purposes stated here in and should not be relied upon for any other purpose. My client BEL is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use and the Regulations. I do not take any responsibility for the unauthorized use of this report.
- I owe responsibility to only to the client that has appointed me under the terms of the engagement letters. I will not be liable for any losses, claims, damages or Liabilities arising out of the actions taken, emissions or advice given by any other person. In no event shall be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the client or companies, their directors, employees or agents.
- While my work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, I express no audit opinion or any other form of assurance on this information.
- The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.
- The valuation of companies and assets is made based on the available facts and circumstances and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment.
- Although every scientific method as been employed in systematically arriving at the value, there is, therefore, no Indisputable single value and the estimate of the value is normally expressed as falling within a likely range. To comply with the client request, I have provided a single value for Fair Value of the assets of the Company, arithmetic average of the range of Liquidation and Fair Values. Whilst, derived as an



valuation to be both reasonable and defensible based on the information available, others may place a different value.

- The actual market price achieved may be higher or lower than our estimate of value or range of value depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for example the purchaser's perception of potential synergies). The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which actual transaction will take place.
- I have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, I assume no Liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where I have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and / or reproduced in Its proper form and context.
- The report assumes that the company/business complies fully with relevant laws and regulations applicable In Its area of operations and Usage unless otherwise stated, and that the companies / business will be managed in a competent and responsible manner, Further, as specifically stated to the contrary, this report as given no Consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations.
- The valuation report is tempered by the exercise of judicious discretion by the Registered Valuer and judgment taking into account the relevant factors. There are always be several factors, e.g, management capability, present and prospective competition, yield on comparable securities, market sentiment, etc., which may not be apparent from the balance Sheet but could strongly influence the value.
- I am fully aware that based on the opinion of value expressed in this report, I may be required to give testimony or attend court/ judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and our tendering



evidence before such authority shall be under the applicable laws.

XIV. DISCLAIMER

- While my work has involved an analysis of financial information and accounting records, my engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, I assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by BEL.
- My report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.
- The valuation of companies and businesses is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value and I normally express our opinion on the value as falling within a likely range. However, as the purpose requires the expression of a single value, I have adopted a value at the mid-point of our valuation range. Whilst I consider our value / range of values to be both reasonable and defensible based on the information available to us, others may place a different value on BEL. The actual market price achieved may be higher or lower than our estimate of value/value range depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for Example the purchaser's perception of potential synergies). The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which any agreement proceeds'. The final transaction price is something on which the parties themselves have to agree. I also emphasize that our opinion is not the only factor that should be considered by the parties in agreeing the transaction price.
- An analysis of such nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof, Events occurring after the date hereof may affect this report and the assumptions used in



preparing it, and I do not assume any obligation to update, revise this report.

- The ultimate analysis will have to be tempered by the exercise of judicious discretion by the Registered Valuer and judgment taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the face of the Balance Sheet but could strongly influence the value.
- In the course of the valuation, I have been provided with both written and verbal information. I have however, evaluated the information provided to us by the Company through inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. My conclusions are based on the assumptions, forecasts and other Information given by on behalf of the Company.
- I am an “Independent Valuer”. I am independent of the client / company and have no current or expected interest in the Company or Its assets, The fee paid for our services in no way influenced the results of my analysis.
- My report is meant for the purpose mentioned above and should not be used for any purpose other than the purpose mentioned herein.
- 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.
- However, I do understand that the report will be shared with the auditors / investor / buyers of the Company submission to government authorities and regulators towards statutory compliances.
- I trust the above meets your requirements, please feel free to contact us \n case you require any additional Information or clarifications.

XV. VALUATION & CONCLUSION

The objective of the valuation process is to make a best reasonable judgment of the Fair value of the Shares of the Company. Fair valuation of the equity shares of BEL has been arrived at by using Income-DCF Method, Relative Valuation Method as well by using Market Indexes per **Regulation 166A of the Securities and Exchange Board of India ("SEBI")** (Issue of



Capital and Disclosure Requirements) (Amendment) Regulations, 2022 (“ICDR Regulations”), read with the provisions of the companies Act 2013 and other applicable the provision of Companies Act, 2013. Fair value summary is mentioned herein below:-

METHOD	SHARE PRICE
Market Price Method	
1. VVAP 90 Trading Days	1441.96
2. VVAP 10 Trading Days	1418.57
3. Higher of the above two	1441.96

	EQUITY PRICE	WTS	WTDAV
INCOME METHOD-DCF	834.26	0.33	275.31
MARKET MEHOD -INDEX	1441.96	0.33	475.85
RELATIVE VALUATION	993.13	0.33	327.73
PRICE PER EQUITY SHARE		1079.29	1078.89

Hence I conclude that the fair value of each equity shares of BEL based on above parameters is computed at Rs.1078.89 rounded off to 1079 per equity share of Rs 10 each

I trust the above meets your requirements, please feel free to contact us \n case you require any additional Information or clarifications.

Yours faithfully



VASUDEVAN.S
(Registered Valuer)
IBBI/RV/05/2019/11704
COP NO ICMAIRVO/S&FA/00103

Date: 24/01/2024

Place: CHENNAI



S.VASUDEVAN, M.Com, ML, FCS, CFA, Ph.D
APPROVED VALUER REGD WITH IBBI
(SECURITIES or FINANCIAL ASSETS)
Reg.No; IBBI/RV/05/2019/11704