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<b>Board of Directors</b> <b>Napino Auto and Electronics Limited</b> Plot No. 7, Sector 3, IMT Manesar, Gurugram - 122 050, Haryana	<b>Board of Directors</b> <b>Vraheja Trading Private Limited</b> Plot No. 7, Sector 3, IMT Manesar, Gurugram - 122 050, Haryana	<b>Board of Directors</b> <b>Vishnu Vaibhav Industries Private Limited</b> Plot no. 371, Phase-2, Udyog Vihar, Gurugram - 122015, Haryana
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**Subject:** Recommendation of Share Exchange Ratio pursuant to the Scheme of Arrangement amongst Vraheja Trading Private Limited and Vishnu Vaibhav Industries Private Limited and Napino Auto and Electronics Limited and their respective shareholders and creditors ('Scheme')

Dear Sir / Madam,

I refer to my Engagement Letter dated 9 April 2023 whereby Napino Auto and Electronics Limited ("**Napino Auto**" or "**Company**" or "**Transferee Company**" or "**Resulting Company**") has appointed me for recommending the Share Exchange Ratio pursuant to the proposed Scheme under provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013.

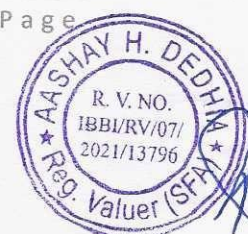
My deliverable for this engagement is a Share Exchange Ratio Report ("**Share Exchange Ratio**" or "**Report**").

In the following paragraphs, I have summarized my valuation analysis together with the description of the valuation approaches, methodologies and limitations in my scope of work.



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## 1 Context and Purpose

### I. Brief Background of Companies:

#### A. Napino Auto and Electronics Limited

Napino Auto and Electronics Limited along with its subsidiaries, joint ventures and associates (hereinafter collectively referred to as '**Napino Auto Group**'), is primarily engaged in the business of providing automotive technology solutions for ICE and EV segments. It manufactures various products and provides solutions within the auto components industry such as Electronic Fuel Injection, Regulator & Rectifier, E-Throttles, Integrated Displays / Clusters, Mechatronics, Controllers, Wiring Harness, Switches, EV Chargers, Motors & Motor Controllers, etc. Currently, it owns 8 manufacturing facilities in India and has 2 R&D Centres. In addition, its associates are engaged in the designing and manufacturing of solid-state batteries, motor controllers, intelligent automotive, home and telecom products and solutions, etc.

The details of the group companies along with beneficial stake owned by Napino Auto are given below:

Sr. No.	Name of the Company	% stake held by Napino Auto	Brief Business Profile
1	Napino Control Systems Pvt. Ltd. ('NCS' or 'Napino Control')	70	Manufacturer of Electronic Fuel Injection systems
2	Napino Continental Vehicle Electronics Pvt. Ltd ('NCVE' or 'Napino Continental')	50	Manufacturer of Integrated Displays / Clusters systems
3	Napino Domino Mechatronics Pvt. Ltd. ('NDM' or 'Napino Domino')	100	No current operations
4	Napino Digital Solutions ('NDS' or 'Napino Digital')	100	Proposed to engage in providing digital and IOT solutions
5	VVDN Technologies Pvt. Ltd. ('VVDN')	15.65	Provides automotive, IOT, networking and WiFi, Industrial products, 5G gear, etc
6	Virtual Forest Pvt. Ltd. ('VF' or 'Virtual Forest')	17.80	Designing and manufacturing of consumer electronics
7	Sakuu Corporation ('SC' or 'Sakuu Corp')	0.86	Designing and manufacturing of Solid-State Batteries

Napino Auto along with all the above entities are hereinafter collectively referred to as '**Napino Auto Group**' or '**group companies**'.



### **B. Vraheja Trading Private Limited**

Vraheja Trading Private Limited ('Vraheja' or 'Transferor Company') is a closely held company owned by the promoters of Napino Auto. As of the date of this report, it holds 22.57% stake in Napino Auto.

### **C. Vishnu Vaibhav Industries Private Limited**

Vishnu Vaibhav Industries Private Limited ('VVIPL' or 'Demerged Company') is also a closely held company owned by the promoters of Napino Auto. It is engaged in designing and manufacturing of switches ('Switch Business' or 'Demerged Undertaking') used in various products installed in 4-wheelers such as integrated electronic control panels, switch modules, climate controls, steering column heads, access systems, etc. VVIPL has a design and manufacturing facility in Pune, India. It caters to demand from global and Indian OEMs.

## **II. Context and Purpose:**

Raheja Family ('Promoters') owns 77.43% stake in Napino Auto and balance 22.57% stake is held by Vraheja. Since Vraheja is also owned by the Promoters, it is considered necessary to merge Vraheja with Napino Auto to eliminate an additional corporate layer and streamline the Promoter shareholding.

VVIPL is also owned by the Promoters of Napino Auto. The management of the companies are desirous of demerging the Switch Business of VVIPL into Napino Auto to consolidate the entire auto ancillary business of the Promoters into a single flagship entity viz. Napino Auto.

The proposed Scheme of Amalgamation of Vraheja into Napino Auto and demerger of Switch Business of VVIPL into Napino Auto will result in following synergies:

- a) Greater integration and financial strength for the merged entity, which would result in maximizing overall shareholder value and will improve the financial position of the merged entity;
- b) The amalgamation and demerger would lead to greater and efficient use of the available resources;
- c) Reduction of number of entities and administrative cost;
- d) Simplification of group structure

The Proposed Scheme will involve issuance of equity shares by Napino Auto to the shareholders of Vraheja and VVIPL as consideration for the merger and demerger respectively. In this connection, the management of Napino Auto has appointed me to submit a report recommending the Share Exchange Ratio pursuant to the Proposed Scheme.



## 2 Conditions and Major Assumptions

### Conditions

The historical financial information about the companies presented in this report is included solely for the purpose to arrive at value conclusion presented in this report and it should not be used by anyone to obtain credit or for any other unintended purpose. Because of the limited purpose as mentioned in the report, it may be incomplete and may contain departures from generally accepted accounting principles prevailing in the country. I have not audited, reviewed or compiled the financial statements and express no assurance on them.

Readers of this report should be aware that a business valuation is based on future earnings potential that may or may not be materialized. Any financial projection e.g. projected profit & loss account, projected balance sheet, projected cash flow statements, etc as presented in this report are included solely to assist in the development of the value conclusion. The actual results may vary from the projections given, and the variations may be material, which may change the overall value.

This report is only to be used in its entirety, and for the purpose stated in the report. No third parties should rely on the information or data contained in this report without the advice of their lawyer, attorney or accountant.

I acknowledge that I have no present or contemplated financial interest in either the Napino Auto Group companies or Vraheja or VVIPL. My fees for this valuation are based upon my normal billing rates, and not contingent upon the results or the value of the business or in any other manner. I have no responsibility to modify this report for events and circumstances occurring subsequent to the date of this report.

I have, however, used conceptually sound and generally accepted methods, principles, and procedures of valuation in determining the value estimate included in this report. The valuation analyst, by reason of performing this valuation and preparing this report, is not required to give expert testimony nor give attendance in court or at any government hearing with reference to the matters contained herein, unless prior arrangements have been made with the analyst regarding such additional engagement.

### Assumptions

The opinion of value given in this report is based on information provided by the management of the Napino Auto Group companies and other sources as listed in the report. This information is assumed to be accurate and complete.

I have relied upon the information contained in the public and other documents in my possession and any other assets or liabilities except as specifically stated to the contrary in this report.

I have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances, or that the owner has good title to all the assets.



I have also assumed that the business will be operated prudently and that there are no unforeseen adverse changes in the economic conditions affecting the business, the market, or the industry. This report presumes that the management of all the above-mentioned companies will maintain the character and integrity of their respective companies.

I have been informed by the management that there are no significant lawsuits or any other undisclosed contingent liabilities which may potentially affect the business, except as may be disclosed elsewhere in this report. I have assumed that no costs or expenses will be incurred in connection with such liabilities, except as explicitly stated in this report.

### 3 Valuation Premise

The premise of value refers to the conditions and circumstances of how an asset is deployed. As part of my analysis, I have considered the following assumption to be appropriate:

- Going concern basis - there is neither a planned nor contemplated discontinuance of any line of business of any of the group companies
- As-is-where-is basis – the current use of the assets is assumed, which may or may not be its highest and best use

### 4 Valuation Date

The analysis of the Fair Value of equity shares of all the group companies, except Sakku Corporation, has been carried out based on the management certified financials (consolidated and standalone as the case maybe) as of 31 March 2023. Accordingly, the Valuation Date is 31 March 2023. In respect of Sakku Corporation, the management certified financials are available as of 31 December 2021 and accordingly the Valuation Date with respect of valuation of Sakku Corporation is 31 December 2021.

### 5 Valuation Standards

The Report has been prepared in compliance with the internationally accepted valuation standards.

### 6 Valuation Methodology and Approach

The standard of value used in the Analysis is "Fair Value", which is often defined as the price, in terms of cash or equivalent, that a buyer could reasonably be expected to pay, and a seller could reasonably be expected to accept. if the business were exposed for sale in the open market for a reasonable period of time, with both buyer and seller being in possession of the pertinent facts and neither being under any compulsion to act.



Valuation of a business is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be prepared to pay a substantial goodwill. This exercise may be carried out using various methodologies, the relative emphasis of each often varying with:

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

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

### **1. Asset Approach**

#### **Net Asset Value Method ("NAV")**

The value arrived at under this approach is based on the latest financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The balance sheet values are adjusted for any contingent liabilities and material events that are likely to materialize.

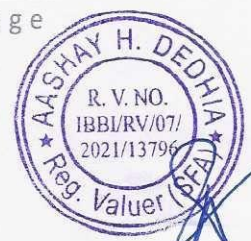
The Net Asset Value is generally used as the minimum break-up value for the transaction since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern.

### **2. Market Approach**

#### **Comparable Company Market Multiple Method**

Under this methodology, market multiples of comparable listed companies are computed and applied to the business being valued in order to arrive at a multiple based valuation. The difficulty here is the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, profitability and accounting practices.

Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way comparable enterprises are valued by public markets. In the case of early-stage companies and different business models the problem aggravates further.



### Comparable Transactions Multiple Method

This approach is somewhat similar to the market multiples approach except that the sales and EBITDA multiples of reported transactions in the same industry in the recent past are applied to the sales and EBITDA of the business being valued.

### 3. Income Approach

#### Discounted Cash Flows - "DCF"

DCF uses the future free cash flows of the company discounted by the firm's weighted average cost of capital (the average cost of all the capital used in the business, including debt and equity), plus a risk factor measured by beta, to arrive at the present value.

Beta is an adjustment that uses historic stock market data to measure the sensitivity of the company's cash flow to market indices, for example, through business cycles.

The DCF method is a strong valuation tool, as it concentrates on cash generation potential of a business. This valuation method is based on the capability of a company to generate cash flows in the future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a company's cost of capital and the risk associated with the cash flows it generates. DCF analysis is based mainly on the following elements:

- Projection of financial statements (key value driving factors)
- The cost of capital to discount the projected cash flows



#### Valuation Methodology and Basis of Valuation

The application of any method or methods 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 a range of values.

The DCF method as explained above is a company specific valuation method and relies largely on company's past data and future projections etc. The comparable company market and / or



transaction multiples method, adjusted for certain company / business specific characteristics, can help arrive at a fair value which the market is willing to ascribe to the business being valued.

In the instant case, based on the nature of business of the group companies, availability of data and generally acceptable valuation methodologies, I have valued the group companies / businesses using valuation methods as under:

Sr. No.	Name of Company	Valuation Method Used
1	Napino Auto, Napino Control and Napino Continental	Weighted Average of DCF and EV/EBITDA multiple
2	Napino Domino and Napino Digital	NAV
3	VVDN and Virtual Forest	EV/Revenue multiple
4	Sakku Corp	Price by Book multiple
5	Vraheja	Adjusted NAV
6	Switch Manufacturing Business of VVIPL	DCF
7	Switch Designing Business of VVIPL	DCF

- The DCF method is used basis the financial projections and assumptions prepared by the Management of Napino Auto on a standalone basis for Napino Auto, NCS and NCVE. The Comparable Markets Multiple Method is used by determining the EV/EBITDA multiple of companies engaged in similar line of business and adjusting the said EV/EBITDA multiple to reflect certain key differences between Napino Auto, Napino Control and Napino Continental and other comparable companies.
- Since Napino Domino and Napino Digital do have any business operations, the valuation is carried out based on the NAV method. The Net Asset Value is determined on the basis of the management certified unaudited financials of Napino Domino and Napino Digital as of 31 March 2023.
- VVDN and Virtual Forest are operating companies. However, the management has not provided us with the business plans of the said companies. Accordingly, the Comparable Markets Multiple Method is used by determining the EV/Revenue multiple of companies engaged in similar line of business as that of VVDN and Virtual Forest and adjusting the said EV/Revenue multiple to reflect certain key differences, as discussed with the management, between VVDN and Virtual Forest and other comparable companies.
- Sakku Corporation is undertaking research and development of solid-state batteries and is currently under research and development phase. Accordingly, the Comparable Markets Multiple Method is used by determining the Price/Book multiple of companies engaged in similar line of business as that of Sakku Corp and adjusting the said Price/Book multiple to reflect certain key differences, as discussed with the management, between Sakku Corp and other comparable companies.
- Vraheja is an investment holding company of the Promoters. It acquired 22.57% stake in Napino Auto in June 2023 from an overseas investor by raising debt. It has no significant asset or liability other than shares of Napino Auto and the debt raised to acquire it. Accordingly, it's valuation is carried out basis adjusted Net Asset Value taking into account book values of assets and liabilities



as of the Valuation Date and adjusting the same for fair value of Napino Auto shares acquired subsequently in June 2023 and debt raised for the same.

- Switch Manufacturing Business and Switch Designing Business (collectively also referred to as 'Switch Business') of VVIPL are valued by DCF method basis the financial projections and assumptions prepared by the Management of VVIPL.

#### **A. Valuation of Napino Auto, Napino Control and Napino Continental**

##### **A.1 Based on Discounted Cash Flow Method**

The management has provided me with the individual business projections of Napino Auto, NCS and NCVE for period April 2022 to March 2023 and subsequent financial years from FY 2024 till FY 2028, which I have considered for my analysis.

The free cash flows need to be discounted at an appropriate discount rate. To this, the discounted value of the Terminal Value needs to be added and the net debt and minority interest be deducted to arrive at individual equity value of Napino Auto, NCS and NCVE. Subsequently, the consolidated equity value of Napino Auto is computed taking into account Napino Auto's stake in NCS and NCVE on a fully diluted basis.

##### **Projected Snapshot of Profit and Loss account for period April 2022 to March 2023 and subsequent financial years from FY 2024 till FY 2028**

Projected snapshot of separate Profit and Loss accounts of Napino Auto, NCS and NCVE are given in **Annexure IA, IB and IC** respectively.

##### **Projected Snapshot of Balance Sheet as of March 2023 and subsequent financial years from FY 2024 till FY 2028**

Projected snapshot of separate Balance Sheets of Napino Auto, NCS and NCVE are given in **Annexure IIA, IIB and IIC** respectively.

##### **Terminal Value**

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 as well as the estimated growth rate of the industry and economy. Based on dynamics of the sector and discussions with the Management I have assumed a long-term growth rate of 2% beyond the projections period. The cash flow of Rs 139 crores in respect of Napino Auto, Rs 82 crs in respect of NCS and Rs 65 crs in respect of NCVE have been considered to determine the respective terminal values.



### Discount Factor

Discount Factor considered for arriving at the present value of the free cash flows to the firm is the weighted average cost of capital. The weighted average cost of capital comprises of two components – cost of equity and cost of debt, both in proportion to their weights in the target or desired capital structure of the company.

- The cost of equity is computed using the Capital Asset Pricing Model (CAPM) using the formula shown below.

$$rE = rf + B (rM - rf)$$

Where,

rf = Risk free rate;

rM =Market return;

B = sensitivity of the index to the market / measure of market risk

Appropriate additional risk premiums can be added to the Cost of Equity arrived at as per above.

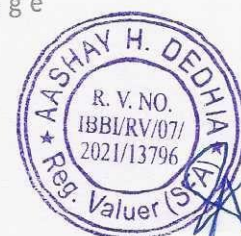
- The cost of debt is the rate of interest at which companies are able to raise funds, after adjusting for tax benefits on interest payments.

### Calculation of Weighted Average Cost of Capital

- The cost of equity for consolidated Napino Auto, NCS and NCVE has been calculated as under:

Particulars	Rate	Source
Risk Free Rate (Rf)	7.316%	10 year Indian Government Bond Yield data as of 31 March 2023 ( <a href="https://www.marketwatch.com/investing/bond/ldbmk10y/download-data?startDate=12/1/2022&amp;endDate=2/24/2023&amp;countryCode=bx">https://www.marketwatch.com/investing/bond/ldbmk10y/download-data?startDate=12/1/2022&amp;endDate=2/24/2023&amp;countryCode=bx</a> )
Market Risk Premium (Rm-Rf)	9.730%	Total Equity Risk premium details for India from Professor Ashwath Damodaran pages updated till 5 January 2023
Measure of Mkt Risk (B)	1.31	Beta details for Auto Ancillaries of India from Professor Ashwath Damodaran pages updated till 5 Jan 2023
Additional Risk Premium	2%	To factor in for size of the company, liquidity of shares, etc

- The after-tax cost of debt as informed by the management is:
  - Napino Auto – 6.83%
  - NCS – 7.86%
  - NCVE – 7.86%



- The target capital structure of Debt : Equity is:
  - Napino Auto – Debt (15) : Equity (85)
  - NCS – Debt (10) : Equity (90)
  - NCVE – Debt (10) : Equity (90)
- Accordingly, the weighted average cost of capital ('WACC') has been calculated as under:
  - Napino Auto – 19.78%
  - NCS – 20.64%
  - NCVE – 20.64%
- Using the present value of Free Cash Flows to the company and Terminal Value, long term growth rate of 2% and WACC of respective companies, I estimate the Enterprise Value of Napino Auto at Rs 333 crs, NCS at Rs 386 crs and NCVE at Rs 226 crs. Further, adjusting Net Debt as of 31 March 2023, the Equity Value of Napino Auto is estimated to be Rs 196 crs, NCS to be Rs 480 crs and NCVE to be Rs 232 crs.

Napino Auto - Discounted Cash Flow

Amt in Rs Crs

	1.00	2.00	3.00	4.00	5.00
	31-03-2024	31-03-2025	31-03-2026	31-03-2027	31-03-2028
Free Cash Flow To Equity					
EBIT * (1-tax)	53	73	105	143	184
- Change in NWC (non-cash)	(66)	(86)	(55)	(68)	(63)
- Capital expenditure	(175)	(125)	(45)	(45)	(45)
+ Depreciation	59	82	79	70	64
Free Cash Flow To Firm	(129)	(66)	84	101	139
Terminal Value					800
PV of Terminal Value					325
PV of FCFE	-107	-39	49	49	57
PV of FCFE					333
Debt (Long Term + Short Term)					(159)
Cash and cash equivalents					21
Equity Value (INR Crs)					196

Napino Controls - Discounted Cash Flow

Amt in Rs Crs

		1.00	2.00	3.00	4.00	5.00
Free Cash Flow To Equity		31-03-2024	31-03-2025	31-03-2026	31-03-2027	31-03-2028
EBIT * (1-tax)		44	63	70	76	81
- Change in NWC (non-cash)		6	3	(2)	(2)	(2)
- Capital expenditure		-	-	-	-	-
+ Depreciation		10	7	5	4	3
<b>Free Cash Flow To Firm</b>		<b>60</b>	<b>74</b>	<b>73</b>	<b>78</b>	<b>82</b>
Terminal Value						447
PV of Terminal Value						175
<b>PV of FCFE</b>		<b>50</b>	<b>51</b>	<b>42</b>	<b>37</b>	<b>32</b>
PV of FCFE	386					
Debt (Long Term + Short Term)	(44)					
Cash and cash equivalents	138					
<b>Equity Value (INR Crs)</b>	<b>480</b>					

Napino Continental - Discounted Cash Flow

Amt in Rs Crs

		1.00	2.00	3.00	4.00	5.00
Free Cash Flow To Equity		31-03-2024	31-03-2025	31-03-2026	31-03-2027	31-03-2028
EBIT * (1-tax)		19	47	65	75	78
- Change in NWC (non-cash)		(6)	(28)	(19)	(11)	(3)
- Capital expenditure		-	(25)	(25)	(25)	(25)
+ Depreciation		6	8	11	13	15
<b>Free Cash Flow To Firm</b>		<b>19</b>	<b>3</b>	<b>32</b>	<b>52</b>	<b>65</b>
Terminal Value						357
PV of Terminal Value						140
<b>PV of FCFE</b>		<b>15</b>	<b>2</b>	<b>18</b>	<b>25</b>	<b>26</b>
PV of FCFE	226					
Debt (Long Term + Short Term)	(14)					
Cash and cash equivalents	21					
<b>Equity Value (INR Crs)</b>	<b>232</b>					

Based on the above, the consolidated equity value of Napino Auto, after adjusting for value of minority interest in NCS and NCVE, is computed as under:

INR in Crs

	Napino Auto	Napino Control	Napino Continental
Equity Valuation	196	480	232
% stake held by Napino Auto (diluted basis)	100	70	50
Value of Napino Auto stake	196	336	116
<b>Consolidated Equity Value of Napino Auto</b>	<b>648</b>		



### Significant assumptions

The significant assumptions based on which the fair value of Napino Auto, NCS and NCVE on a consolidated basis under the DCF method is calculated are given in **Annexure III**.

### A.2 Valuation Based on Comparable Markets Multiple Method

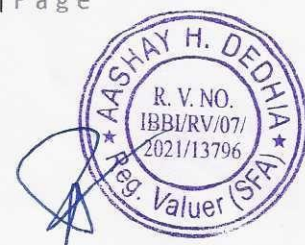
Under this method, I have taken the median EV/EBITDA multiple of companies engaged in the auto ancillary sectors in India. The details of such comparable companies are given in **Annexure IV**. The median EV/EBITDA multiple is 15.51. Appropriate discounts are applied to the median EV/EBITDA multiple to account for differences such as lack of control, lack of marketability and business risks.

Valuation of Napino Auto, NCS and NCVE based on median EV/EBITDA is computed as under:

	Rs in Crs		
	Napino	NCS	NCVE
FY 23 EBITDA	36.10	61.10	15.13
Median EV/EBITDA	15.51	15.51	15.51
Less: Discount	10%	20%	20%
Adjusted EV/EBITDA	13.95	12.40	12.40
Enterprise Value	503.79	757.83	187.69
Debt - FY 23	-158.03	-43.91	-13.90
Cash & Investments - FY 23	21.12	138.30	20.72
Equity Value	366.88	852.22	194.51
Napino Stake (fully diluted basis)	100%	70%	50%
<b>Napino Stake Value</b>	<b>367</b>	<b>597</b>	<b>97</b>

Based on the above, the consolidated equity value of Napino Auto, after adjusting for value of minority interest in NCS and NCVE, is computed as under:

	INR in Crs		
	Napino Auto	Napino Control	Napino Continental
Equity Valuation	367	852	195
% stake held by Napino Auto (diluted basis)	100	70	50
Value of Napino Auto stake	367	597	97
<b>Consolidated Equity Value of Napino Auto</b>	<b>1,061</b>		



### A.3 Weighted Average Valuation

Applying weights to equity value arrived at as per DCF Method and Comparable Markets Multiple Method, the equity value of consolidated Napino Auto is arrived at as under:

#### Napino Auto, Napino Control and Napino Continental – Consolidated Basis

Valuation Method	Equity Value (Rs in Crs)	Weights	Weighted Average Equity Value (Rs in Crs)
DCF Method	648	0.5	324
Comparable Markets Multiple Method	1,061	0.5	530
<b>Fair Value of Equity Share of Napino Auto on Consolidated Basis (Rs in Crs)</b>			<b>854</b>

### B. Valuation of Napino Domino and Napino Digital

As informed by the management of Napino Auto, there are currently no business operations in Napino Domino and Napino Digital. Accordingly, their valuation is done using the Net Asset Value approach. For this purpose, the management certified financials of Napino Digital as of 31 March 2023 are used. Financials of Napino Domino as of 31 March 2023 are not available; however, since there are no business operations the value per share is considered to be same as the face value i.e. Rs 10 per share.

The calculation of Net Assets value is given in **Annexure V**.

### C. Valuation of VVDN and Virtual Forest

The valuation of VVDN and Virtual Forest has been carried out based on Comparable Companies Market Multiples.

Under this method, I have taken the median EV/Revenue multiple of companies engaged in similar line of business. The details of such comparable companies in respect of VVDN are given in **Annexure VI**. There are no companies comparable to that of Virtual Forest whose data is easily available in public domain. Further, the management has represented that the median EV/Revenue multiple used for valuing VVDN can also be used to value Virtual Forest and accordingly, the valuation of Virtual Forest has been carried out using the same EV/Revenue multiple as that used for valuing VVDN. To this, appropriate discount rates are applied to account for key differences in terms of lack of control, lack of marketability and business risks to arrive at the Equity Value.



The valuation of VVDN and Virtual Forest is as under:

	Rs in Crs	
	VVDN Tech	Virtual Forest
FY 23 EBITDA	168.00	0.914
Median EV/EBITDA	17.73	17.73
Less: Discount	45%	45%
Adjusted EV/EBITDA	9.75	9.75
Enterprise Value	1,637.79	8.91
Debt - FY 23	-334.00	-0.2767
Cash & Investments - FY 23	30.00	0.8207
Equity Value	1,333.79	9.45

#### D. Valuation of Sakku Corp

Sakku Corp is currently engaged in the research and development of solid-state batteries. Currently, it does not have any revenues. Accordingly, its valuation is being undertaken based on the Price/Book multiple of comparable companies. To this, appropriate discount rates are applied to account for key differences in terms of lack of control, lack of marketability and business risks to arrive at the Equity Value. The details of such comparable companies in respect of Sakku Corp are given in **Annexure VII**.

The valuation of Sakku Corp is as under:

	Rs in Crs
	Sakku Corp
Invt in Sakku	1.63
Price by Book	2.58
Less: Discount	45%
Adjusted P/B	1.42
Enterprise Value	2.31
Debt	0
Cash & Investments	0
Equity Value	2.31
NAEL Stake	100%
Equity Value	2.31

#### E. Valuation of Vraheja

Vraheja is an investment holding company of the Promoters. It acquired 22.57% stake in Napino in June 2023 from Shindengen Electric of Japan at a pre-agreed price. However, the shareholders agreement between Vraheja and Shindengen was executed on 29 March 2023. The acquisition was done by raising debt. Other than the said investment and debt, Vraheja does not have any significant assets or liabilities. Accordingly, its valuation is carried out based on management certified financial statements as of 31 March 2023 and adjusting the same for aforesaid acquisition.

The calculation of the adjusted Net Assets value is given in **Annexure VIII**.





#### **F. Valuation of Switch Manufacturing Business of VVIPL**

The management has provided me with business projections of Switch Manufacturing Business of VVIPL for period April 2022 to March 2023 and subsequent financial years from FY 2024 till FY 2028, which I have considered for my analysis.

The free cash flows need to be discounted at an appropriate discount rate. To this, the discounted value of the Terminal Value needs to be added and the net debt and minority interest be deducted to arrive at equity value of the Switch Manufacturing Business.

#### **Projected Snapshot of Profit and Loss account for period April 2022 to March 2023 and subsequent financial years from FY 2024 till FY 2028**

Projected snapshot of Profit & Loss account of Switch Manufacturing Business is given in **Annexure IX**.

#### **Projected Snapshot of Balance Sheet as of March 2023 and subsequent financial years from FY 2024 till FY 2028**

Projected snapshot of Balance Sheet of Switch Manufacturing Business is given in **Annexure X**.

#### **Terminal Value**

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 as well as the estimated growth rate of the industry and economy. Based on dynamics of the sector and discussions with the Management I have assumed a long-term growth rate of 2% beyond the projections period. The cash flow of Rs 1.38 crores in respect of Switch Manufacturing Business has been considered to determine the terminal value.

#### **Discount Factor**

Discount Factor considered for arriving at the present value of the free cash flows to the firm is the weighted average cost of capital. The weighted average cost of capital comprises of two components – cost of equity and cost of debt, both in proportion to their weights in the target or desired capital structure of the company.



- The cost of equity is computed using the Capital Asset Pricing Model (CAPM) using the formula shown below.

$$rE = rf + B (rM - rf)$$

Where,

rf = Risk free rate;

rM =Market return;

B = sensitivity of the index to the market / measure of market risk

Appropriate additional risk premiums can be added to the Cost of Equity arrived at as per above.

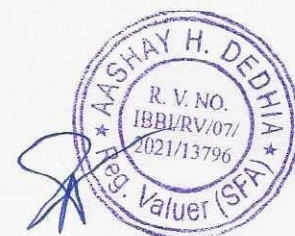
- The cost of debt is the rate of interest at which companies are able to raise funds, after adjusting for tax benefits on interest payments.

#### Calculation of Weighted Average Cost of Capital

- The cost of equity for Switch Manufacturing Business of VVIPL has been calculated as under:

Particulars	Rate	Source
Risk Free Rate (Rf)	7.316%	10 year Indian Government Bond Yield data as of 31 March 2023 ( <a href="https://www.marketwatch.com/investing/bond/ldbmkln-10y/download-data?startDate=12/1/2022&amp;endDate=2/24/2023&amp;countryCode=bx">https://www.marketwatch.com/investing/bond/ldbmkln-10y/download-data?startDate=12/1/2022&amp;endDate=2/24/2023&amp;countryCode=bx</a> )
Market Risk Premium (Rm-Rf)	9.730%	Total Equity Risk premium details for India from Professor Ashwath Damodaran pages updated till 5 January 2023
Measure of Mkt Risk (B)	1.31	Beta details for Auto Ancillaries of India from Professor Ashwath Damodaran pages updated till 5 Jan 2023
Additional Risk Premium	4%	To factor in for size of the company, liquidity of shares, etc

- The after tax cost of debt for the Switch Manufacturing Business is 7.48%
- Assuming target capital structure of Debt (15) : Equity (85), the weighted average cost of capital of Switch Manufacturing Business has been calculated at 21.63%.
- Using the present value of Free Cash Flows of the Switch Manufacturing Business and Terminal Value, long term growth rate of 2% and WACC of 21.63%, I estimate the Enterprise Value of Switch Manufacturing Business of VVIPL at Rs 3.35 crs. Further, adjusting Net Debt as of 31 March 2023, the Equity Value of Switch Manufacturing Business of VVIPL is estimated to be Rs 2.46 crs.



Switch Manufacturing Business (VVIPL) - Discounted Cash Flow				Amt in Rs				
		1.00	2.00	3.00	4.00	5.00		
		31-03-2024	31-03-2025	31-03-2026	31-03-2027	31-03-2028		
Free Cash Flow To Equity								
EBIT * (1-tax)		18,16,057	1,36,19,992	2,33,10,219	3,56,66,027	5,38,19,279		
- Change in NWC (non-cash)		(78,98,969)	(1,81,57,376)	(1,76,49,202)	(2,27,95,360)	(2,55,11,065)		
- Capital expenditure		-	-	(2,00,00,000)	(3,45,00,000)	(2,65,00,000)		
+ Depreciation		28,00,549	23,80,466	50,23,396	94,44,887	1,20,03,154		
- Inter Unit Balance		-	90,00,000	1,00,00,000	1,00,00,000	-		
Free Cash Flow To Firm		(32,82,363)	68,43,083	6,84,413	(21,84,445)	1,38,11,368		
Terminal Value							7,17,59,941	
PV of Terminal Value							2,69,55,706	
PV of FCFE		-26,98,511	46,25,506	3,80,347	-9,98,059		51,88,064	
PV of FCFE	3,34,52,962							
Debt (Long Term + Short Term)	(1,27,69,519)							
Cash and Bank Balance	38,96,824							
Equity Value (INR)	2,45,80,267							

#### G. Valuation of Switch Designing Business of VVIPL

The management has provided me with business projections of Switch Designing Business of VVIPL for period April 2022 to March 2023 and subsequent financial years from FY 2024 till FY 2028, which I have considered for my analysis.

The free cash flows need to be discounted at an appropriate discount rate. To this, the discounted value of the Terminal Value needs to be added and the net debt and minority interest be deducted to arrive at equity value of the Switch Designing Business.

#### Projected Snapshot of Profit and Loss account for period April 2022 to March 2023 and subsequent financial years from FY 2024 till FY 2028

Projected snapshot of Profit & Loss account of Switch Designing Business is given in **Annexure XI**.

#### Projected Snapshot of Balance Sheet as of March 2023 and subsequent financial years from FY 2024 till FY 2028

Projected snapshot of Balance Sheet of Switch Designing Business is given in **Annexure XII**.

#### Terminal Value

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 as well as the estimated growth rate of the industry and economy. Based on dynamics of the sector and discussions with the Management I have assumed a long-term growth rate of 2% beyond the



projections period. The cash flow of Rs 3.63 crores in respect of Switch Designing Business has been considered to determine the terminal value.

#### Discount Factor

Discount Factor considered for arriving at the present value of the free cash flows to the firm is the weighted average cost of capital. The weighted average cost of capital comprises of two components – cost of equity and cost of debt, both in proportion to their weights in the target or desired capital structure of the company.

- The cost of equity is computed using the Capital Asset Pricing Model (CAPM) using the formula shown below.

$$rE = rf + B (rM - rf)$$

Where,

rf = Risk free rate;

rM =Market return;

B = sensitivity of the index to the market / measure of market risk

Appropriate additional risk premiums can be added to the Cost of Equity arrived at as per above.

- The cost of debt is the rate of interest at which companies are able to raise funds, after adjusting for tax benefits on interest payments.

#### Calculation of Weighted Average Cost of Capital

- The cost of equity for Switch Designing Business of VVIPL has been calculated as under:

Particulars	Rate	Source
Risk Free Rate (Rf)	7.316%	10 year Indian Government Bond Yield data as of 31 March 2023 <a href="https://www.marketwatch.com/investing/bond/ldbmkln-10y/download-data?startDate=12/1/2022&amp;endDate=2/24/2023&amp;countryCode=bx">https://www.marketwatch.com/investing/bond/ldbmkln-10y/download-data?startDate=12/1/2022&amp;endDate=2/24/2023&amp;countryCode=bx</a>
Market Risk Premium (Rm-Rf)	9.730%	Total Equity Risk premium details for India from Professor Ashwath Damodaran pages updated till 5 January 2023
Measure of Mkt Risk (B)	1.31	Beta details for Auto Ancillaries of India from Professor Ashwath Damodaran pages updated till 5 Jan 2023
Additional Risk Premium	4%	To factor in for size of the company, liquidity of shares, etc



- The after tax cost of debt for the Switch Manufacturing Business is 7.48%
- Assuming target capital structure of Debt (30) : Equity (70), the weighted average cost of capital of Switch Designing Business has been calculated at 19.2%.
- Using the present value of Free Cash Flows of the Switch Designing Business and Terminal Value, long term growth rate of 2% and WACC of 19.2%, I estimate the Enterprise Value of Switch Designing Business of VVIPL at Rs 16.96 crs. Further, adjusting Net Debt and strategic investment as of 31 March 2023, the Equity Value of Switch Designing Business of VVIPL is estimated to be Rs 12.73 crs.

Switch Designing Business (VVIPL) - Discounted Cash Flow						Amt in Rs
	1.00	2.00	3.00	4.00	5.00	
Free Cash Flow To Equity	31-03-2024	31-03-2025	31-03-2026	31-03-2027	31-03-2028	
EBIT * (1-tax)	2,39,54,084	2,65,23,892	2,98,71,749	3,35,55,663	3,70,40,236	
- Change in NWC (non-cash)	1,14,16,533	(8,28,416)	(9,37,052)	(10,27,527)	(10,95,286)	
- Capital expenditure	-	-	-	-	-	
+ Depreciation	6,23,671	5,30,120	4,50,602	3,83,012	3,25,580	
- Inter Unit Balance	-	(90,00,000)	(1,00,00,000)	(1,00,00,000)	-	
<b>Free Cash Flow To Firm</b>	<b>3,69,94,288</b>	<b>1,72,26,697</b>	<b>1,93,86,299</b>	<b>2,29,11,147</b>	<b>3,62,70,611</b>	
Terminal Value						21,50,82,335
PV of Terminal Value						8,93,73,459
<b>PV of FCFE</b>	<b>3,01,96,343</b>	<b>1,21,23,169</b>	<b>1,14,45,501</b>	<b>1,13,48,276</b>	<b>1,60,71,535</b>	
PV of FCFE	16,96,58,273					
Debt (Long Term + Short Term)	(13,67,29,919)					
Cash and Bank Balance	3,39,98,409					
Non-current investment	6,04,35,432					
<b>Equity Value (INR in '000)</b>	<b>12,72,62,196</b>					

### Combined Equity Value of Switch Business

As mentioned above, the Switch Business of VVIPL comprises of its Switch Manufacturing Business and Switch Designing Business. Accordingly, the combined equity value of the Switch Business is as under:

Business	Equity Value (Rs in Crs)
Switch Manufacturing Business	2,45,80,257
Switch Designing Business	12,72,62,196
<b>Total</b>	<b>15,18,42,453</b>

## 7 Source of Information

The analysis is based on a review of the business plans of Napino Auto, NCS, NCVE and Switch Business of VVIPL (Manufacturing and Designing), analysis of comparable company market multiples, management certified financial statements of the group companies as of 31 March 2023 and information relating to sector as available in the public domain. Specifically, the sources of information include:

- Audited Financials of companies as of 31 March 2021 and 2022 and 31 December 2021 (for Sakku Corp)
- Management Certified Financials as of 31 March 2023 and 31 December 2021 (for Sakku Corp)
- Business Plans of Napino Auto, NCS, NCVE and Switch Business (Manufacturing and Designing) of VVIPL for period April 2022 to March 2023 and subsequent financial years from FY 2024 till FY 2028 provided by the Management
- List of comparable companies of Napino Auto Group companies to compute the fair value of equity shares and preference shares of said companies, as applicable
- All Company specific information were sourced from the management of the Company, either in the written hard copy or digital form
- Equity Risk premium details for India from Professor Ashwath Damodaran pages updated till 5 January 2023
- Beta details for the Auto Ancillary industry in India from Professor Ashwath Damodaran pages updated till 5 January 2023
- 10 year Indian Government Bond Yield data as of 31 March 2023 from [www.marketwatch.com](http://www.marketwatch.com)
- Discussions with the Management of Napino Auto Group
- Other information / data available in public domain and sourced from proprietary databases

In addition to the above, I have also obtained such other information and explanations from Napino Auto 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 my standard practice to make sure that factual inaccuracies are avoided in my final report.

## 8 Caveats

This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. My client 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 only to the client that has appointed me under the terms of the engagement letter. I will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall I 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, my 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 has 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. Whilst I consider the 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 my estimate of value (or value 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, my valuation conclusion will not necessarily be the price at which actual transaction will take place.

The client and its management/representatives warranted to me that the information they supplied was complete, accurate and true and correct to the best of their knowledge. I have relied upon the representations of the clients, their management and other third parties concerning the financial data, operational data and maintenance schedule of all plant-machinery-equipment-tools-vehicles, real estate investments and any other investments in tangible assets except as specifically stated to the contrary in the report. I shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the companies, their directors, employee or agents.

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 has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet/fixed assets register provided to us.

The valuation report is prepared by the exercise of judicious discretion of the valuer and his 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 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.

## 9 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 and on behalf of you and the client. 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 my opinion on the value as falling within a likely range. Whilst I consider my value/range of values to be both reasonable and defensible based on the information available to me, others may place a different value on the fair value of equity shares of the Company.

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, my 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 my 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 me 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 or reaffirm this Report.

The ultimate analysis will have to be made by the exercise of judicious discretion by the Valuer and his 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 was provided with both written and verbal information. I have however, evaluated the information provided to me by the Company through broad 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 my services is in no way influenced by 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 therein. 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.

## 10 Distribution of Report

The Analysis is confidential and has been prepared exclusively for Napino Auto and Electronics Limited, Vraheja Trading Private Limited and Vishnu Vaibhav Industries Private Limited. It should not be used, reproduced or circulated to any other person or for any purpose other than as mentioned above, in whole or in part, without the prior written consent of the valuer. Such consent will only be given after full consideration of the circumstances at the time. However, I do understand that the report will be shared with the auditors / investor / buyers / stakeholders involved in the Proposed Transaction / submission to government authorities and regulators towards statutory compliances.



## 11 Opinion on Fair Value of Shares

### A. The valuation of Napino Auto is as under:

	INR in Crs					
	Napino Auto, NCS and NCVE (consolidated basis)	Napino Domino	Napino Digital	VVDN	Virtual Forest	Sakku Corp
Equity Valuation	854.28	0.01	(0.37)	1,333.79	9.45	2.31
% stake held by Napino Auto (diluted basis)	100	100	100	15.65	17.80	100
Value of Napino Auto stake	854.28	0.01	(0.37)	208.74	1.68	2.31
<b>Total Value of Napino Auto</b>	<b>1,066.65</b>					
<b>Diluted Number of Equity Shares (Napino Auto)*</b>	<b>97,46,960</b>					
<b>Value per share of Napino Auto (diluted basis)</b>	<b>1,094</b>					

\* Post equity shares issued as Bonus by Napino in the ratio of 4 shares for every 1 share held vide Shareholders Resolution dated 10 June 2023

B. The valuation of Vraheja is Rs 1,02,04,25,658 i.e. Rs 1,02,043 per share.

C. The valuation of Switch Business (Manufacturing and Designing) of VVIPL is Rs 15,18,42,453 i.e. Rs 1,380 per share.

## 12 Share Exchange Ratio Recommendation

Based on the foregoing, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, I recommend the following Share Exchange Ratio for:

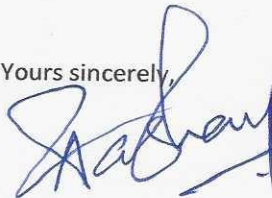
### A. Merger of Vraheja Trading Private Limited with Napino Auto and Electronics Limited

**“93,245 (Ninety Three Thousand Two Hundred and Forty Five) fully paid up Equity Shares of Rs 10 each of Napino Auto and Electronics Limited shall be issued and allotted as fully paid for 1,000 (One Thousand) fully paid up equity shares of Rs 10 each of Vraheja Trading Private Limited”**

**B. Demerger of Switch Business of Vishnu Vaibhav Industries Private Limited into Napino Auto and Electronics Limited**

***“1,000 (One Thousand) fully paid up Equity Shares of Rs 10 each of Napino Auto and Electronics Limited shall be issued and allotted as fully paid for every 793 (Seven Hundred and Ninety Three) fully paid up equity shares of Rs 10 each of Vishnu Vaibhav Industries Private Limited”***

Yours sincerely,



Aashay Hasmukh Dedhia  
Registered Valuer - Securities or Financial Assets  
(Reg No: IBBI/RV/07/2021/13796)

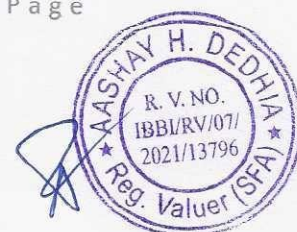
Date: - 6 July 2023

Place: Mumbai

### Annexure IA – Projected Profit and Loss Snapshot of Napino Auto and Electronics Limited

(All Amounts in INR Crs unless otherwise stated)

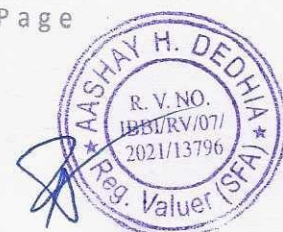
P&L Napino Auto						
Period reference	1.0	2.0	3.0	4.0	5.0	6.0
Financial year	FY23P	FY24E	FY25E	FY26E	FY27E	FY28E
Revenue from Operations	978	1,433	1,854	2,133	2,388	2,627
Less: Cost of Materials Consumed	741	1,074	1,381	1,579	1,756	1,920
<b>Material Margin</b>	<b>236</b>	<b>360</b>	<b>473</b>	<b>554</b>	<b>632</b>	<b>707</b>
<b>(Less): Direct Costs</b>						
Direct Labour Cost	56	80	102	112	119	125
Royalty	3	4	6	11	17	18
Manufacturing Overheads	27	40	52	60	67	74
<b>Total</b>	<b>86</b>	<b>125</b>	<b>159</b>	<b>182</b>	<b>203</b>	<b>217</b>
<b>Gross Margin</b>	<b>150</b>	<b>235</b>	<b>313</b>	<b>372</b>	<b>429</b>	<b>490</b>
<b>(Less): Indirect Costs</b>						
Employee benefit expense	71	85	97	107	113	118
Selling & distribution expense	8	12	16	18	20	22
General & administrative expense	22	27	29	33	36	40
<b>Total</b>	<b>101</b>	<b>124</b>	<b>142</b>	<b>158</b>	<b>169</b>	<b>180</b>
<b>EBITDA</b>	<b>49</b>	<b>111</b>	<b>171</b>	<b>214</b>	<b>260</b>	<b>310</b>
Less: Depreciation	37	59	82	79	70	64
Less: Finance Costs	14	32	15	14	14	14
<b>EBIT</b>	<b>(2)</b>	<b>20</b>	<b>74</b>	<b>121</b>	<b>176</b>	<b>232</b>
Add: Other Income	10	12	15	19	23	29
Add/(Less): Exceptional Items	14	-	-	-	-	-
<b>EBT</b>	<b>(7)</b>	<b>32</b>	<b>89</b>	<b>140</b>	<b>199</b>	<b>262</b>
Less: Tax	-	11	31	49	70	92
<b>PAT</b>	<b>(7)</b>	<b>21</b>	<b>58</b>	<b>91</b>	<b>129</b>	<b>170</b>



## Annexure IB – Projected Profit and Loss Snapshot of Napino Control Systems Private Limited

(All Amounts in INR Crs unless otherwise stated)

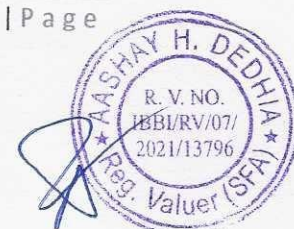
P&L_NCS						
Period Reference	1.0	2.0	3.0	4.0	5.0	6.0
Start date	1-Apr-22	1-Apr-23	1-Apr-24	1-Apr-25	1-Apr-26	1-Apr-27
End date	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28
Financial year	FY23P	FY24E	FY25E	FY26E	FY27E	FY28E
Revenue from Operations	414	457	591	620	651	684
Less: Cost of Materials Consumed	329	362	466	488	511	536
<b>Material Margin</b>	<b>85</b>	<b>95</b>	<b>124</b>	<b>132</b>	<b>140</b>	<b>147</b>
<b>(Less): Direct Costs</b>						
Direct Labour Cost	2	3	4	4	4	4
Royalty	6	6	8	8	9	9
Manufacturing Overheads	3	3	4	4	4	4
<b>Total</b>	<b>11</b>	<b>12</b>	<b>16</b>	<b>16</b>	<b>17</b>	<b>17</b>
<b>Gross Margin</b>	<b>73</b>	<b>83</b>	<b>109</b>	<b>116</b>	<b>124</b>	<b>130</b>
<b>(Less): Indirect Costs</b>						
Employee benefit expense	9	9	10	10	11	12
Selling & distribution expense	5	5	6	7	7	6
General & administrative expense	2	3	4	4	4	4
<b>Total</b>	<b>16</b>	<b>17</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>
<b>EBITDA</b>	<b>57</b>	<b>66</b>	<b>89</b>	<b>95</b>	<b>102</b>	<b>108</b>
Less: Depreciation	14	10	7	5	4	3
Less: Finance Costs	1	0	-	-	-	-
<b>EBIT</b>	<b>43</b>	<b>56</b>	<b>82</b>	<b>90</b>	<b>98</b>	<b>105</b>
Add: Other Income	3	3	3	3	3	3
Add/(Less): Exceptional Items	-	-	-	-	-	-
<b>EBT</b>	<b>46</b>	<b>59</b>	<b>85</b>	<b>93</b>	<b>101</b>	<b>108</b>
Less: Tax	12	15	21	23	25	27
<b>PAT</b>	<b>35</b>	<b>44</b>	<b>63</b>	<b>70</b>	<b>76</b>	<b>81</b>



**Annexure IC – Projected Profit and Loss Snapshot of Napino Continental Vehicle Electronics Private Limited**

(All Amounts in INR Crs unless otherwise stated)

P&L NOVE						
Period reference	1.0	2.0	3.0	4.0	5.0	6.0
Financial year	FY23P	FY24E	FY25E	FY26E	FY27E	FY28E
Revenue from Operations	243	296	574	738	833	860
Less: Cost of Materials Consumed	186	226	437	560	631	650
<b>Material Margin</b>	<b>57</b>	<b>70</b>	<b>137</b>	<b>177</b>	<b>202</b>	<b>210</b>
<b>(Less): Direct Costs</b>						
Direct Labour Cost	4	5	9	11	13	13
Royalty	7	8	16	21	23	24
Manufacturing Overheads	9	10	20	25	27	28
<b>Total</b>	<b>19</b>	<b>23</b>	<b>44</b>	<b>57</b>	<b>64</b>	<b>65</b>
<b>Gross Margin</b>	<b>38</b>	<b>47</b>	<b>92</b>	<b>121</b>	<b>138</b>	<b>145</b>
<b>(Less): Indirect Costs</b>						
Employee benefit expense	11	12	12	13	14	15
Selling & distribution expense	2	2	4	4	5	4
General & administrative expenses	3	3	5	7	7	7
<b>Total</b>	<b>15</b>	<b>17</b>	<b>21</b>	<b>24</b>	<b>26</b>	<b>26</b>
<b>EBITDA</b>	<b>23</b>	<b>31</b>	<b>71</b>	<b>97</b>	<b>113</b>	<b>119</b>
Less: Depreciation	8	6	8	11	13	15
Less: Finance Costs	-	-	-	-	-	-
<b>EBIT</b>	<b>14</b>	<b>25</b>	<b>63</b>	<b>86</b>	<b>100</b>	<b>104</b>
Add: Other Income	1	1	1	1	1	1
Add/(Less): Exceptional Items	-	-	-	-	-	-
<b>EBT</b>	<b>15</b>	<b>25</b>	<b>63</b>	<b>86</b>	<b>100</b>	<b>105</b>
Less: Tax	4	6	16	22	25	26
<b>PAT</b>	<b>11</b>	<b>19</b>	<b>47</b>	<b>65</b>	<b>75</b>	<b>78</b>



## Annexure IIA – Projected Balance Sheet Snapshot of Napino Auto and Electronics Limited

(All Amounts in INR Crs unless otherwise stated)

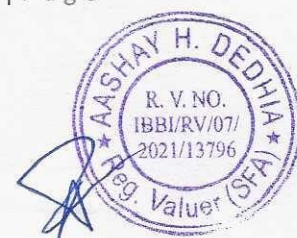
BS Napino Auto Period reference Financial year	1.0 FY23P	2.0 FY24E	3.0 FY25E	4.0 FY26E	5.0 FY27E	6.0 FY28E
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Equity Share Capital	2	452	452	452	452	452
Other Equity	558	434	492	583	712	882
<b>Total Equity</b>	<b>560</b>	<b>886</b>	<b>944</b>	<b>1,035</b>	<b>1,164</b>	<b>1,334</b>
<b>Borrowings</b>						
Long Term Borrowings	0	0	0	0	0	0
Short Term Borrowings	166	138	138	138	138	138
<b>Total Borrowings</b>	<b>166</b>	<b>139</b>	<b>139</b>	<b>139</b>	<b>139</b>	<b>138</b>
<b>Non Current Liabilities</b>						
Lease Liabilities	15	15	15	15	15	15
Provisions	3	3	3	3	3	3
Deferred Tax Liabilities	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Total Non Current Liabilities</b>	<b>17</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>18</b>
<b>Current Liabilities</b>						
Lease Liabilities	2	2	2	2	2	2
Trade Payables	152	221	284	324	361	394
Other Current Liabilities	22	31	38	43	47	51
<b>Total Current Liabilities</b>	<b>177</b>	<b>254</b>	<b>324</b>	<b>370</b>	<b>410</b>	<b>448</b>
<b>TOTAL</b>	<b>921</b>	<b>1,296</b>	<b>1,425</b>	<b>1,561</b>	<b>1,731</b>	<b>1,938</b>
<b>ASSETS</b>						
<b>Non Current Assets</b>						
Plant Property and Equipments	135	225	275	268	244	226
Right to use assets	22	22	22	22	22	22
Capital WIP and Intangible Assets under Development	12	39	31	5	5	5
Other Intangible Assets	4	2	3	2	1	1
Deferred Tax Assets	13	13	13	13	13	13
Investments	173	173	173	173	173	173
Other Financial Assets	11	11	11	11	11	11
<b>Total Non Current Assets</b>	<b>369</b>	<b>486</b>	<b>528</b>	<b>494</b>	<b>469</b>	<b>450</b>
<b>Current Assets</b>						
Inventories	244	309	360	389	433	473
Investments	19	19	19	19	19	19
Trade Receivables	209	306	396	456	510	561
Cash and Cash Equivalents	5	122	51	121	207	333
Loans	-	-	-	-	-	-
Other Current Assets	76	55	71	82	92	101
<b>Total Current Assets</b>	<b>552</b>	<b>811</b>	<b>897</b>	<b>1,067</b>	<b>1,262</b>	<b>1,488</b>
<b>TOTAL</b>	<b>921</b>	<b>1,296</b>	<b>1,425</b>	<b>1,561</b>	<b>1,731</b>	<b>1,938</b>



## Annexure IIB – Projected Profit and Loss Snapshot of Napino Control Systems Private Limited

(All Amounts in INR Crs unless otherwise stated)

BS_NCS	1.0	2.0	3.0	4.0	5.0	6.0
Period Reference						
Financial year	FY23P	FY24E	FY25E	FY26E	FY27E	FY28E
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Equity Share Capital	80	80	80	80	80	80
Other Equity	105	149	212	282	357	438
<b>Total Equity</b>	<b>185</b>	<b>229</b>	<b>292</b>	<b>362</b>	<b>437</b>	<b>518</b>
<b>Borrowings</b>						
Long Term Borrowings	26	21	21	21	21	21
Short Term Borrowings	-	-	-	-	-	-
<b>Total Borrowings</b>	<b>26</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>
<b>Non Current Liabilities</b>						
Lease Liabilities	12	12	12	12	12	12
Provisions	-	-	-	-	-	-
Deferred Tax Liabilities	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Total Non Current Liabilities</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
<b>Current Liabilities</b>						
Lease Liabilities	2	2	2	2	2	2
Trade Payables	90	99	128	134	140	147
Other Current Liabilities	8	9	12	12	13	14
<b>Total Current Liabilities</b>	<b>100</b>	<b>110</b>	<b>141</b>	<b>148</b>	<b>155</b>	<b>162</b>
<b>TOTAL</b>	<b>323</b>	<b>372</b>	<b>467</b>	<b>543</b>	<b>625</b>	<b>714</b>
<b>ASSETS</b>						
<b>Non Current Assets</b>						
Plant Property and Equipments	23	19	15	13	10	8
Right to use assets	13	13	13	13	13	13
Capital WIP and Intangible Asse	1	1	1	1	1	1
Other Intangible Assets	17	11	7	5	3	2
Deferred Tax Assets	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Other Financial Assets	-	-	-	-	-	-
<b>Total Non Current Assets</b>	<b>53</b>	<b>43</b>	<b>36</b>	<b>31</b>	<b>27</b>	<b>24</b>
<b>Current Assets</b>						
Inventories	54	55	64	67	70	73
Investments	42	42	42	42	42	42
Trade Receivables	68	69	81	85	89	94
Cash and Cash Equivalents	85	140	214	287	364	446
Loans	-	-	-	-	-	-
Other Current Assets	21	23	30	31	33	34
<b>Total Current Assets</b>	<b>270</b>	<b>329</b>	<b>431</b>	<b>512</b>	<b>599</b>	<b>690</b>
<b>TOTAL</b>	<b>323</b>	<b>372</b>	<b>467</b>	<b>543</b>	<b>625</b>	<b>714</b>





## Annexure IIC – Projected Profit and Loss Snapshot of Napino Continental Vehicle Electronics Private Limited

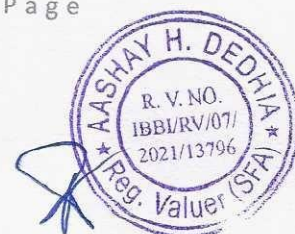
(All Amounts in INR Crs unless otherwise stated)

BS_NCVE	1.0	2.0	3.0	4.0	5.0	6.0
Period reference						
Financial year	FY23P	FY24E	FY25E	FY26E	FY27E	FY28E
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Equity Share Capital	65	65	65	65	65	65
Other Equity	2	21	67	132	208	286
<b>Total Equity</b>	<b>67</b>	<b>86</b>	<b>132</b>	<b>197</b>	<b>273</b>	<b>351</b>
<b>Borrowings</b>						
Long Term Borrowings	-	-	-	-	-	-
Short Term Borrowings	-	-	-	-	-	-
<b>Total Borrowings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non Current Liabilities</b>						
Lease Liabilities	13	13	13	13	13	13
Provisions	-	-	-	-	-	-
Deferred Tax Liabilities	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Total Non Current Liabilities</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>
<b>Current Liabilities</b>						
Lease Liabilities	1	1	1	1	1	1
Trade Payables	69	84	162	208	234	241
Other Current Liabilities	15	18	34	44	50	52
<b>Total Current Liabilities</b>	<b>85</b>	<b>103</b>	<b>198</b>	<b>253</b>	<b>285</b>	<b>294</b>
<b>TOTAL</b>	<b>164</b>	<b>201</b>	<b>342</b>	<b>463</b>	<b>571</b>	<b>658</b>
<b>ASSETS</b>						
<b>Non Current Assets</b>						
Plant Property and Equipments	6	4	24	40	53	64
Right to use assets	11	11	11	11	11	11
Capital WIP and Intangible Assets under D	7	7	7	7	7	7
Other Intangible Assets	14	9	6	4	3	2
Deferred Tax Assets	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Other Financial Assets	1	1	1	1	1	1
<b>Total Non Current Assets</b>	<b>39</b>	<b>33</b>	<b>60</b>	<b>64</b>	<b>76</b>	<b>86</b>
<b>Current Assets</b>						
Inventories	54	62	114	146	165	169
Investments	9	9	9	9	9	9
Trade Receivables	58	74	143	184	208	214
Cash and Cash Equivalents	2	20	23	55	108	173
Loans	-	-	-	-	-	-
Other Current Assets	2	2	4	5	6	6
<b>Total Current Assets</b>	<b>125</b>	<b>168</b>	<b>293</b>	<b>399</b>	<b>496</b>	<b>572</b>
<b>TOTAL</b>	<b>164</b>	<b>201</b>	<b>343</b>	<b>463</b>	<b>571</b>	<b>657</b>



**Annexure III – Significant Assumptions**

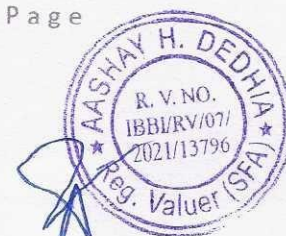
Particulars	Assumptions
Tax rate	35% in case of Napino Auto and 25.168% in case of NCS and NCVE
Contingent Liabilities and Litigations	There are no material contingent liabilities and litigations pertaining to any of the Napino Group entities that will affect the Business Plan and their valuation
Sales, Expenditure, Growth Rate, Income Streams, Capex, working capital requirements, capital structure, etc	As per Business Plan submitted by the management



**Annexure IV – Comparable Companies in Auto Ancillary Sector**

AUTO ANCILLARIES COMPANIES - SCREENER									
Sr No	Name	P/E	Mar Cap RS	ROCE %	Sales RsCr	OPM %	EV Rs Cr	EV/EBITDA	ROE %
1	Bosch	40.05	55092.93	14.79	14176.9	12.13	52481.53	24.41	11.85
2	Tube Investments	62.15	50193.14	29.37	14668.65	11.89	49948	26.65	28.09
3	Uno Minda	46.79	28782.48	13.81	10762.6	11.13	29609.08	22.69	12.12
4	Sona BLW Precis	69.55	25643.68	21.49	2264.33	25.00	25852.27	41.85	20.61
5	Varroc Engineer		4006.84	-18.17	6824.99	3.5	5639.76	19.7	-44.08
6	Pricol Ltd	26.95	2815.44	14.6	1849.38	11.79	2831.11	12.74	10.48
7	Jtekt India	33.55	2531.61	9.84	1983.77	9	2563.77	13.68	6.61
8	India Nipp Elec	15.34	816.07	9.96	647.51	8.17	801.54	9.71	8.14
9	Automotive Stamp	142.83	507.03	11.9	821.45	3.03	584.86	20.62	
10	Munjaj Showa		365.95	1.33	1237.93	1.85	352.48	8.61	1.13
11	Jay Ushin	17.63	252.06	13.4	746.62	4.42	352.06	7.34	14.08
12	Jullundur Motor	5.94	143.68	18.38	404.1	6.84	130.6	4.00	13.76
13	Omax Autos		87.92	-2.67	290.24	-4.39	202.28	14.10	-13.6
14	Ultra Wiring	31.05	46.57	12.39	29.46	9.3	49.73	16.91	10.49
	<b>Median</b>	<b>33.55</b>	<b>1,673.84</b>	<b>12.90</b>	<b>1,543.66</b>	<b>8.59</b>	<b>1,682.66</b>	<b>15.51</b>	<b>10.49</b>

Source: Screener.in



**Annexure V – Computation of Net Asset Value of Napino Digital Solutions Private Limited**

Napino Digital Balance Sheet - Net Asset Value	Amount in INR
	31-Mar-23
<b>Assets</b>	
Fixed Asset (Net)	48,15,000
Non-Current Assets (Def Tax)	-
<b>Current Assets</b>	
Inventories	58,62,000
Trade receivable	(96,08,000)
Cash and cash equivalents	2,25,58,000
Other financial assets	31,000
Other current assets	48,25,000
<b>Total Assets</b>	<b>2,84,83,000</b>
<b>Liabilities</b>	
Bank OD/Loans	-
Deferred Tax Liability	26,000
Current Liab & Provision	3,21,36,000
<b>Total Liabilities</b>	<b>3,21,62,000</b>
<b>Net Worth</b>	<b>(36,79,000)</b>



**Annexure VI – Comparable Companies of VVDN Technologies Private Limited**

**ELECTRONICS COMPANIES**

Sr No	Name	P/E	Mar Cap RS CR	ROCE %	Sales RsCr	OPM %	EV Rs Cr	EV/EBITDA	ROE %
1	Aditya Vision	26.77	1762.78	24.20	1276.44	9.85	1979.36	15.53	55.07
2	DCX Systems	25.41	1666.54	21.63	1102.27	6.08	1492.66	16.76	79.82
3	Aplab	18.58	29.92	18.98	49.45	8.76	78.58	16.27	
4	Amber Enterp.	56.16	6241.93	8.54	5861.17	5.80	7161.13	18.69	6.67
5	PG Electoplast	48.99	3186.22	12.99	1820.77	6.90	3596.13	23.00	14.59
6	Avalon Tech	53.16	2596.03	23.35	840.72	11.61	2864.75	26.43	43.46
7	Permanent Magnet	33.60	907.30	34.23	172.22	21.22	899.62	21.64	25.98
8	Elin Electronics	20.25	643.34	17.53	891.61	7.57	723.98	10.66	14.38
	<b>Median</b>	<b>33.60</b>	<b>1762.78</b>	<b>18.98</b>	<b>891.61</b>	<b>8.76</b>	<b>1979.36</b>	<b>17.73</b>	<b>20.29</b>

Source: Screener.in



## Annexure VII – Comparable Companies of Sakku Corporation

### SOLID -STATE BATTERY STOCKS

Sr No	Name	Mar Cap USD Mn	Sales USD Mn	EV USD Mn	EV/EBITDA	EV/REVENUE	PRICE/BOOK	ROA 12M %	ROE %
1	Albemarle Corporation	23660.00	7320.00	25480.00	8.92	3.48	2.96	12.14	40.23
2	QuantumScape Corporation	3400.00	NA	2440.00	-6.55	NA	2.58	-16.48	-28.13
3	Solid Power	513.00	11.70	199.90	-52.37	16.96	0.92	-6.10	-1.71
	Median				-6.55	10.22	2.58		

Source: Yahoo Finance



**Annexure VIII – Computation of Net Asset Value of Vraheja Trading Private Limited**

Vraheja Trading Private Limited - Adjusted Balance Sheet	Amount in INR
	31-Mar-23
<b>Non-Current Assets</b>	
Fixed Asset (Net)	-
Non-Current Assets (Deferred Tax)	-
Non-Current Investments (Napino) - at fair value - <b>(Note 1)</b>	2,40,74,36,766
<b>Current Assets</b>	
Inventories	-
Trade receivable	-
Cash and cash equivalents	18,50,000
Short term Loans and Advances - <b>(Note 2)</b>	-
Other current assets	-
<b>Total Assets</b>	<b>2,40,92,86,766</b>
<b>Equity And Liabilities</b>	
Capital	1,00,000
Reserve & Surplus (capital reserve on revaluation of Napino Auto shares)	(25,23,030)
Long Term Loans	1,20,40,00,000
Deferred Tax Liability	-
Current Liab & Provision <b>(Note 3)</b>	18,72,84,138
<b>Total Liabilities</b>	<b>1,38,88,61,108</b>
<b>Adjusted Net Assets Value</b>	<b>1,02,04,25,658</b>
<b>Outstanding Number of Shares</b>	<b>10,000</b>
<b>Value per share</b>	<b>1,02,043</b>

**Notes:**

1. Fair Value of Napino Auto is Rs 1,066.65 crs and stake owned by Vraheja is 22.57%
2. Short term loans and advances of Rs 25,00,000 represents loan processing charges and hence have been written-off
3. Current liabilities and Provisions of INR 18,72,84,138 represents withholding tax deducted on acquisition of Napino shares



**Annexure IX – Projected Profit and Loss Snapshot of Switch Manufacturing Business of VVIPL**

**M/S VISHNU VAIBHAV INDUSTRIES PVT. LTD.**  
**PROVISIONAL PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED FY23, FY24, FY25, FY26, FY27, FY28**

Amount in Rs						
PARTICULARS	As on 31.03.2023	As on 31.03.2024	As on 31.03.2025	As on 31.03.2026	As on 31.03.2027	As on 31.03.2028
I. Revenue from operations (Net)	89,06,619.56	5,61,54,524.00	15,52,03,650.00	25,79,31,107.00	37,80,31,660.50	55,58,36,816.75
II. Other Income	43,188.98	-	-	-	-	-
III. Total Revenue (I + II)	89,49,808.54	5,61,54,524.00	15,52,03,650.00	25,79,31,107.00	37,80,31,660.50	55,58,36,816.75
IV. EXPENDITURE						
Cost of raw material and components consumed	64,54,100.86	4,08,35,372.50	11,15,08,566.31	18,15,84,944.69	26,05,20,150.01	38,31,42,295.82
Changes in inventories of finished goods and work-in-progress	-4,63,276.77	-26,50,296.18	-59,70,084.31	-61,91,791.93	-72,38,937.47	-1,07,18,228.60
Employee benefits expense	11,17,218.20	16,61,819.55	27,93,575.78	47,14,059.43	79,62,685.18	1,34,72,544.97
Depreciation and amortization expenses	29,93,539.86	28,00,548.68	23,80,466.37	50,23,396.42	94,44,886.96	1,20,03,153.91
Other expenses	39,64,040.20	1,10,52,948.26	2,60,85,730.98	4,13,00,202.31	5,91,45,541.40	8,52,28,295.42
Total Expenses	1,40,65,622.35	5,37,00,392.81	13,67,98,255.13	22,64,30,810.92	32,98,34,326.07	48,31,28,061.53
V. Net Profit for the year before Tax (III - IV)	-51,15,813.82	24,54,131.19	1,84,05,394.87	3,15,00,296.08	4,81,97,334.43	7,27,28,755.22
VI. (a) Current Tax Expense		6,38,074.11	47,85,402.67	81,90,076.98	1,25,31,306.95	1,89,09,476.36
(b) Deferred Tax Assets						
VII. Profit (Loss) for the Year (V - VI)	-51,15,813.82	18,16,057.08	1,36,19,992.20	2,33,10,219.10	3,56,66,027.48	5,38,19,278.86
Transfer to Reserves	-51,15,813.82	18,16,057.08	1,36,19,992.20	2,33,10,219.10	3,56,66,027.48	5,38,19,278.86
VIII. Basic and diluted earning per share						





**Annexure X – Projected Balance Sheet Snapshot of Switch Manufacturing Business of VVIPL**

**M/S VISHNU VAIBHAV INDUSTRIES PVT. LTD.**  
**Provisional Consolidated Balance Sheet as at 31.03.2023 to 31.03.2028**

PARTICULARS	Amount in Rs					
	As on 31.03.2023	As on 31.03.2024	As on 31.03.2025	As on 31.03.2026	As on 31.03.2027	As on 31.03.2028
<b>EQUITY AND LIABILITIES</b>						
<b>SHAREHOLDER'S FUND</b>						
a) Share Capital	-	-	-	-	-	-
b) Reserve & Surplus	1,40,79,164.53	1,58,95,221.61	2,95,15,213.81	5,28,25,432.91	8,84,91,460.39	14,23,10,739.26
<b>Non Current liabilities</b>						
(a) Long-term borrowings	1,27,69,518.79	1,24,58,286.50	1,24,58,286.50	1,24,58,286.50	1,24,58,286.50	1,24,58,286.50
(b) Other long term Liabilities	-	-	-	-	-	-
<b>Current liabilities</b>						
(a) Trade payables	35,02,150.00	1,08,26,954.82	2,91,68,076.09	3,87,57,754.50	5,52,21,825.06	6,49,84,454.97
(b) Other current liabilities	48,411.56	5,28,833.47	12,01,709.94	19,14,570.23	27,91,631.20	41,04,845.21
(c) Short-term provisions	66,327.58	99,491.37	1,05,460.86	1,11,788.51	1,18,495.82	1,25,605.57
<b>TOTAL</b>	<b>3,04,65,572.46</b>	<b>3,98,08,787.77</b>	<b>7,24,48,747.20</b>	<b>10,60,67,832.65</b>	<b>15,90,81,698.97</b>	<b>22,39,83,931.49</b>
<b>ASSETS</b>						
<b>Non-current assets</b>						
(a) Property, Plant & Equipment						
(i) Tangible assets	1,86,70,324.50	1,58,69,775.83	1,34,89,309.45	2,84,65,913.03	5,35,21,026.08	6,80,17,872.17
(ii) Intangible assets	-	-	-	-	-	-
(iii) Capital Work in Progress	-	-	-	-	-	-
(b) Long-term loans and advances	-	-	-	-	-	-
(c) Non-current investments	-	-	-	-	-	-
(d) Other non current Assets	1,29,281.14	1,29,281.14	1,29,281.14	1,29,281.14	1,29,281.14	1,29,281.14
(e) Deferred Tax Assets	1,13,530.00	1,13,575.65	1,13,575.65	1,13,575.65	1,13,575.65	1,13,575.65
Inter-unit Balance (Service Division)	-	-	-90,00,000.00	-1,90,00,000.00	-2,90,00,000.00	-2,90,00,000.00
<b>Current assets</b>						
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>						
(a) Inventories	15,06,616.06	72,30,856.52	1,99,85,127.53	3,32,13,046.65	4,86,78,049.43	7,15,76,083.25
(b) Trade receivables	34,92,570.00	1,38,46,320.99	3,82,69,393.15	5,29,99,542.53	7,76,77,738.46	9,13,73,723.30
(c) Cash and cash equivalents	38,96,824.16	3,03,183.15	71,46,265.77	78,30,679.13	56,46,233.71	1,94,57,601.48
(d) Short-term loans and advances	26,56,426.60	23,15,794.50	23,15,794.50	23,15,794.50	23,15,794.50	23,15,794.50
(e) Current Investment	-	-	-	-	-	-
<b>TOTAL</b>	<b>3,04,65,572.46</b>	<b>3,98,08,787.77</b>	<b>7,24,48,747.20</b>	<b>10,60,67,832.65</b>	<b>15,90,81,698.97</b>	<b>22,39,83,931.49</b>

**Annexure XI – Projected Profit and Loss Snapshot of Switch Designing Business of VVIPL**

**M/S YISHNU VAIBHAV INDUSTRIES PVT. LTD.**  
**PROVISIONAL PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED FY23, FY24, FY25, FY26, FY27, FY28**

PARTICULARS	Amount in Rs					
	As on 31.03.2023	As on 31.03.2024	As on 31.03.2025	As on 31.03.2026	As on 31.03.2027	As on 31.03.2028
I. Revenue from operations (Net)	7,47,98,880.00	8,22,78,768.00	9,05,06,644.80	9,95,57,309.28	10,95,13,040.21	12,04,64,344.23
II. Other Income	20,11,378.47	-	-	-	-	-
III. Total Revenue (I + II)	7,68,10,258.47	8,22,78,768.00	9,05,06,644.80	9,95,57,309.28	10,95,13,040.21	12,04,64,344.23
IV. EXPENDITURE						
Cost of raw material and components consumed	-	-	-	-	-	-
Changes in inventories of finished goods and work-in-progress	-	-	-	-	-	-
Employee benefits expense	3,16,34,205.26	3,47,97,625.78	3,82,77,388.36	4,21,05,127.19	4,63,15,639.91	5,09,47,203.91
Depreciation and amortization expenses	34,00,611.91	6,23,670.84	5,30,120.21	4,50,602.18	3,83,911.85	3,25,560.08
Other expenses	1,38,10,390.40	1,44,87,087.85	1,58,56,038.29	1,66,34,352.20	1,74,68,898.14	1,91,37,206.82
Total Expenses	4,88,45,207.57	4,99,08,384.47	5,46,63,546.86	5,91,90,081.57	6,41,67,549.91	7,04,09,970.80
V. Net Profit for the year before Tax (III - IV)	2,79,65,050.90	3,23,70,383.53	3,58,43,097.94	4,03,67,227.71	4,53,45,490.30	5,00,54,373.43
VI. (a) Current Tax Expense	25,71,083.05	84,16,299.72	93,19,205.46	1,04,95,479.20	1,17,89,827.48	1,30,14,137.09
(b) Deferred Tax Assets	-	-	-	-	-	-
VII. Profit (Loss) for the Year (V - VI)	2,53,93,967.85	2,39,54,083.81	2,65,23,892.48	2,98,71,748.50	3,35,55,662.82	3,70,40,236.34
Transfer to Reserves	2,53,93,967.85	2,39,54,083.81	2,65,23,892.48	2,98,71,748.50	3,35,55,662.82	3,70,40,236.34
VIII. Basic and diluted earning per share						



**Annexure XII – Projected Balance Sheet Snapshot of Switch Designing Business of VVIPL**

**M/S VISHNU VAIBHAV INDUSTRIES PVT. LTD.**  
**Provisional Consolidated Balance Sheet as at 31.03.2023 to 31.03.2028**

PARTICULARS	Amount in Rs					
	As on 31.03.2023	As on 31.03.2024	As on 31.03.2025	As on 31.03.2026	As on 31.03.2027	As on 31.03.2028
<b>EQUITY AND LIABILITIES</b>						
<b>SHAREHOLDER'S FUND</b>						
a) Share Capital	-	-	-	-	-	-
b) Reserve & Surplus	20,96,04,929.40	23,35,59,013.21	26,00,82,905.69	28,99,54,654.19	32,35,10,317.01	36,19,87,762.35
<b>Non Current Liabilities</b>						
(a) Long-term borrowings	13,67,29,919.18	13,67,29,919.18	13,67,29,919.18	13,67,29,919.18	13,67,29,919.18	13,67,29,919.18
(b) Other long term Liabilities	-	-	-	-	-	-
<b>Current liabilities</b>						
(a) Trade payables	19,12,382.21	20,51,029.50	22,46,447.13	24,32,469.11	26,37,022.60	28,93,560.44
(b) Other current liabilities	78,72,189.74	66,84,166.02	73,52,582.62	80,87,840.88	88,96,624.97	97,86,287.47
(c) Short-term provisions	5,57,027.15	6,12,729.86	6,74,002.85	7,41,403.13	8,15,543.45	8,97,097.79
<b>TOTAL</b>	<b>35,66,76,447.68</b>	<b>37,96,36,857.77</b>	<b>40,70,85,857.46</b>	<b>43,79,46,286.49</b>	<b>47,25,89,427.20</b>	<b>51,22,94,627.23</b>
<b>ASSETS</b>						
<b>Non-current assets</b>						
(a) Property, Plant & Equipment						
(i) Tangible assets	41,57,805.60	35,34,134.76	30,04,014.54	25,53,412.36	21,70,400.51	18,44,840.43
(ii) Intangible assets	-	-	-	-	-	-
(iii) Capital Work in Progress	-	-	-	-	-	-
(b) Long-term loans and advances	-	-	-	-	-	-
(c) Non-current investments	6,04,35,432.40	6,04,35,432.40	6,04,35,432.40	6,04,35,432.40	6,04,35,432.40	6,04,35,432.40
(d) Other non current Assets	25,22,927.86	25,22,927.86	25,22,927.86	25,22,927.86	25,22,927.86	25,22,927.86
(e) Deferred Tax Assets	9,53,426.42	9,53,822.19	9,53,822.19	9,53,822.19	9,53,822.19	9,53,822.19
Inter-unit Balance	20,32,60,078.75	20,32,60,078.75	20,32,60,078.75	20,32,60,078.75	20,32,60,078.75	20,32,60,078.75
Inter-unit Balance (Mfg)	-	-	90,00,000.00	1,90,00,000.00	2,90,00,000.00	2,90,00,000.00
<b>Current assets</b>						
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>						
(a) Inventories	-	-	-	-	-	-
(b) Trade receivables	2,93,31,144.48	1,69,06,596.16	1,85,97,255.78	2,04,56,981.36	2,25,02,679.49	2,47,52,947.44
(c) Cash and cash equivalents	3,27,25,936.57	37,19,828.92	79,45,425.77	53,30,724.78	32,41,872.27	9,49,592.13
(d) Short-term loans and advances	2,23,08,995.34	2,23,23,336.46	2,23,86,199.90	2,24,52,206.52	2,25,21,513.47	2,25,94,285.76
(e) Current Investment	9,80,700.27	6,59,80,700.27	7,89,80,700.27	10,09,80,700.27	12,59,80,700.27	16,59,80,700.27
<b>TOTAL</b>	<b>35,66,76,447.69</b>	<b>37,96,36,857.77</b>	<b>40,70,85,857.46</b>	<b>43,79,46,286.49</b>	<b>47,25,89,427.20</b>	<b>51,22,94,627.23</b>

