

Valuation of Equity Shares For Compliance With Regulation 164 and 166A of Securities And Exchange Board Of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended by Securities And Exchange Board of India (Issue of Capital And Disclosure Requirements) (Amendments) Regulation, 2023

FOR

**HIM TEKNOFORGE LIMITED
CIN: L29130HP1971PLC000904**

Report Date : 31st July, 2024

Date: 31st July, 2024

To,
The Board of Directors
HIM Teknoforge Limited
Village Billanwali, Baddi, Solan,
Himachal Pradesh, India, 173205.

SUBJECT: VALUATION OF EQUITY SHARES OF HIM TEKNOFORGE LIMITED (HTFL)

Dear Sir/Madam,

The purpose of this valuation is to value the equity shares of HTFL for preferential issue of shares under the provisions of SEBI (Issue of capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR 2018). In this connection, HTFL has requested Mr. Navin Khandelwal, Registered Valuer, to carry out the valuation of equity shares based for compliance with Regulation 164 and 166A of Securities and Exchange Board of India (Issue of capital and Disclosure requirements) Regulation 2018 as amended by Securities and Exchange Board of India (Issue of capital and Disclosure requirements) (Amendments) Regulation, 2023.

The valuation workings are detailed in Annexure I below. As per the attached annexure, the fair value per equity share of HTFL is INR 173.37 (Indian Rupees One Hundred and Seventy Three and Thirty Seven Paise Only).

This certificate has been prepared by Mr. Navin Khandelwal and has been prepared solely for the purpose as stated above and has to be read along with the annexure which is appended to this certificate.

Thanking You,



Name – CA Navin Khandelwal
IBBI/RV/05/2019/10779
Place: Indore
Date: 31st July, 2024
UDIN: 24077687BKBFZP7469



I. PURPOSE

We have been engaged by HTFL having Registered office at Village Billanwali, Baddi, Solan, Himachal Pradesh, India, 173205 for the purpose of valuation of equity shares of HTFL ('Company').

HTFL is evaluating the fair market value of equity shares under preferential issue of shares and warrants under the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR 2018). Since, the Board of the Directors proposed to issue equity shares and warrants more than 5% to the proposed allottees, HTFL requires Valuation of its shares for issuing shares in terms of the amended regulation 166A of SEBI ICDR 2018.

Accordingly, as per the request received from the company, we are valuing the Equity Shares of the Company.

The information contained herein and our report is confidential. It is intended only for the sole use for HTFL, 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 in writing.

Disclosure of Valuer Interest

I have no present or prospective contemplated financial interest in M/s **HIM TEKNOFORGE LIMITED**. I do not have any personal interest with respect to the Promoters and Board of Directors of M/s. **HIM TEKNOFORGE LIMITED** I have no bias / prejudice with respect to any matter that is the subject of the valuation report or to the parties involved with this engagement.

Base and premise of Valuation

For the purpose of arriving at the valuation of M/s **HIM TEKNOFORGE LIMITED**, I have considered the valuation base as "Fair Market Value". Valuation Analysis for the said Valuation Purpose is based on the premise of 'Going Concern'. Any change in the valuation base or premise may or may not have a material impact on my valuation exercise and therefore, this valuation report.

II. ABOUT THE VALUER

Mr. Navin Khandelwal is an Independent Valuer and he is registered with Insolvency and Bankruptcy Board of India ('IBBI') with Registration Number IBBI/RV/05/2019/10779 for the purpose of carrying out the said valuation of equity shares.



III. BACKGROUND

- HIM TEKNOFORGE LIMITED is incorporated on 27/03/1971 its registered office situated at Village Billanwali, Baddi, Solan, Himachal Pradesh, India, 173205. The Company's is a non- government Company incorporated and registered under Registrar of Companies (ROC) – Himachal Pradesh vide Corporate Identification No. (CIN): L29130HP1971PLC000904 and Registration number is 000904. The Authorized share capital is Rs. 31,00,00,000 and Paid up capital is Rs. 1,57,32,032.
- The company is engaged in the business of engaged in the business of designing, manipulating, fabricating, die- sinking, processing and dealing in all types, kinds and varieties of automotive and industrial gears and components for automotive, agricultural and industrial machinery.
- Equity shares of the Company are listed on BSE Limited ("BSE").
- The shareholding pattern of M/s **HIM TEKNOFORGE LIMITED** as of the Relevant Date is as under:

Particulars	No. of shares	% of Shareholding
Promoter & Promoter Group	4217257	53.61
Public	3648759	46.39
Total	7866016	100



IV. INFORMATION SOURCES

We have relied on the following sources of information and documents as provided to us by the management of M/s **HIM TEKNOFORGE LIMITED** ('the Management'):

- Brief background of the business of the Company.
- Annual report of the company for the year ended 31.03.2023
- Audited Financial for the period ended 31.03.2024.
- Audited Financials for the period ended 31.12.2023

Information obtained from public domain:

- Audited Financial Statements for FYE 19, FYE 20, FYE 21, FYE 22, FYE 23.
- Latest Shareholding Pattern on 31st March, 2024.
- Market Prices Available on BSE.
- Other relevant publicly available data;
- Our regular discussions with management representatives of **HIM TEKNOFORGE LIMITED**
- We have also relied on published and secondary sources of data whether or not made available by the Company.



V. VALUATION STANDARDS FOLLOWED AND PROCEDURES ADOPTED FOR VALUATION

- We have performed the valuation analysis, to the extent possible, in accordance with ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India (TVS). IVS 301 on Business Valuation deals with valuation of a business or business ownership interest (i.e., it includes valuation of business and equity shares).
- In connection with this exercise, we have adopted the following procedures to carry out the valuation analysis:
 - Requested and received relevant data from the Company management.
 - Discussions with the Management on understanding of the business of the Company.
 - Obtained and analyzed data available in public domain, as considered relevant by us.
 - Obtained and analyzed market prices and other data involving equity shares of M/s **HIM TEKNOFORGE LIMITED** and of comparable companies, as applicable and relevant.
 - Selection of valuation approach /(es) and valuation methodology /(ies), in accordance with IVS, as considered appropriate and relevant by us.
 - Assigned appropriate weights to the values derived using each of the applicable methods and arrived at the fair value taking cognizance of the AOA and the SEBI ICDR Regulations.
 - Determination of value per equity share of M/s **HIM TEKNOFORGE LIMITED** as on relevant date.
 - Preparation and issuance of this valuation report.



VI. APPROACH CONSIDERED IN OUR VALUE ANALYSIS

General Principle for Valuation

There is no single definition of the term 'Value' that is always 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. 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. The brief methodology in each of the three approaches as mentioned above is as mentioned hereunder:

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

- Book Value Approach (BV) .
 - Income Approach.
 - Market Approach (MA)
- **Book Value (BV) Approach:** This method considers the Net 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 Book Value per share, the net worth so arrived at shall be divided by the total number of outstanding equity shares issued and paid-up. It has also been considered. Under Income approach, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalization.
- **Income Approach:** Under Income Approach, DCF Method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. FCFE or free cash flows to the firm ("FCFE") represents the cash available for distribution to the owners. Risk-adjusted discount rate is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & bank balance and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the company. While considering the valuation approaches, Income Approach has been followed.



- **Market Approach:** The market approach is a method of determining the value of shares based on the quoted price in the respective stock exchange where the shares have been listed. This method has also been considered as company being listed .

VII. SELECTION OF VALUATION METHODOLOGY

The objective of the valuation process is to make a best reasonable judgment of the value of the Equity Shares of the Company. The Company's Equity shares are presently listed on BSE.

Further, since the Company proposed to issue equity shares and warrants more than 5% to the proposed allottees, in terms of the provisions of Regulation 166 of SEBI ICDR 2018, as amended upto date, HTFL requires Valuation of its Equity shares for issuing such Equity shares on preferential basis. Accordingly, the minimum price shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164 or the price determined by the independent registered Valuer, or the price determined in accordance with the provisions of the Articles of Association of the issuer.

Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso:

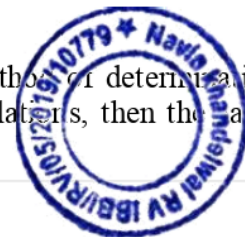
Therefore, for the evaluation of fair valuation, we, being an independent Valuer, have considered best reasonable judgment to value the equity shares through weighted average of Market Approach (Price calculated in terms of sub regulation (1), (2) or (4) of regulation 164 of SEBI ICDR 2018) and Net Asset Value and comparable company multiple approach.

Further, the Equity Shares of the Company is frequently traded at the BSE and highest trading volume at BSE and Price in terms of sub-regulation (1), (2) or (4) of regulation 164 of SEBI ICDR 2018 has been determined considering 29th July 2024 as relevant date in terms of SEBI ICDR 2018 as follows:

Minimum of the Higher of the price determined through following methods was considered:

- Price determined under sub-regulation (1), (2) or (4) of regulation 164 of SEBI ICDR Regulations as per following provisions i.e. price shall be not less than higher of the following:
- The 90 (ninety) days volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date;
- The 10 (ten) days volume weighted average price of the related on the recognized stock exchange preceding the relevant date.

Provided that if the Articles of Association of the issuer provide for a method of determination which results in a floor price higher than that determined under these regulations, then the same



shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue.

The minimum price per Equity Share in accordance with Regulation 164 of the SEBI (ICDR) Regulations is calculated at INR 173.37 per equity share as per Annexure 1 and we, being an Independent Valuer, have calculated INR 173.37 per equity shares as the fair value price of each Equity Share in accordance with Regulation 166A of the SEBI (ICDR) Regulations as per Annexure-1.

Further, as informed by the management, there is no change in the control of the issuer and thus, there we have not computed any control premium, over and above the price determined in terms of the first proviso:

Following is the summary of the Valuation:

Particulars	Value Per Share in INR
Value per Share as per Regulation 164 of SEBI ICDR 2018 - as per Annexure-1	173.37
Fair Value per Share- as per Annexure-2	136.91
Value Calculated as per Income Approach – as per Annexure -3	36.24
Whichever is higher as above	173.37
Minimum price per Equity Share as per regulation 166A of SEBI ICDR 2018 before giving effect to change of control	173.37
Control Premium due to change in control of the issuer	NIL
Minimum price per Equity Share as per regulation 166A of SEBI ICDR 2018 after giving effect to change of control of the issuer	173.37

VIII. VALUATION & CONCLUSION

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment considering all the relevant factors.

The Fair Market Value per equity share of HTFL as per above methodology is INR 173.37.

IX. SCOPE LIMITATIONS AND DISCLAIMERS

- Valuation analysis and results are specific to the purpose of valuation mentioned in this report as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date.
- We owe responsibility to only the management of the Client that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this valuation report. Our valuation report cannot be used for any other purpose. This report has been prepared only for the sole use and information of M/s **HIM TEKNOFORGE LIMITED**. We confirm that the aforementioned limitation does not preclude from making a copy of this



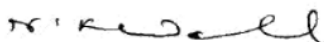
report available for inspection to persons such as shareholders and/or stakeholders of **M/s. HIM TEKNOFORGE LIMITED**, proxy advisors and advisors ("**Permitted Persons**") can share the copy of this report with the Permitted Persons, without any prior approval of the Valuer.

- Our analysis is based on the market conditions and the regulatory environment that currently exists. However, changes to the same in the future could impact the company and the industry it operates in, which may impact our valuation analysis.
- We are not responsible for updating this report because of any events or transactions occurring subsequent to the date of this report.
- We have considered and relied on the information provided to us by the Management including financial information, significant transactions and events occurring subsequent to the balance sheet date. We understand that the information provided to us and the representations made to us (whether verbal or written) are reliable and adequate. We have derived our conclusions and recommendation from the information so provided and we are thus reliant on the given information to be complete and accurate in every significant aspect. We are made to believe that the Management has informed us about all material transactions, events or any other relevant factors which are likely to have an impact on our valuation recommendation.
- In the ultimate analysis, valuation will have to capture the exercise of judicious discretion by the Valuer and judgment taking into account all the relevant factors. There will always be several factors which are not evident from the face of the financial statements, but which will strongly influence the worth of a share. Examples of such factors include quality and integrity of the management, capital adequacy, asset quality, earnings, liquidity, size, present and prospective competition, yield on comparable securities and market sentiment, etc. This concept is also recognized in judicial decisions.
- This Report does not look into the business/commercial reasons behind the transaction.
- We have no present or planned future interest in and the fee for this engagement is not contingent upon the values reported herein. Our valuation analysis should not be construed as an investment advice. We do not express any opinion on the suitability or otherwise of entering into any transaction with the Company or
- Any discrepancies in any annexure between the total and the sums of the amounts listed are due to rounding-off.
- The value per equity shares of M/s **HIM TEKNOFORGE LIMITED** are based on the applicable approach/(es) and method/(s) explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations. We have independently considered methods discussed above, as considered appropriate, for determining value per share.



- We have assigned appropriate weights to the values derived using each of the applicable methods and arrived at the fair value taking cognizance of the AOA and the SEBI ICDR Regulations.
- In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this Report for the proposed transaction, in our opinion, we recommend the fair value per equity share of M/s **HIM TEKNOFORGE LIMITED** at INR 173.37 per equity share.

Yours faithfully,



Name – CA Navin Khandelwal

IBBI/RV/05/2019/10779

Place: Indore

Date: 31st July, 2024

UDIN: 24077687BKBFZP7469



Enclosed:

Annexure I: Determination of M/s **HIM TEKNOFORGE LIMITED** value per equity share of using ICDR Guidelines under Market Price method;

Annexure IA: Computation of share price of equity shares of M/s **HIM TEKNOFORGE LIMITED** under Regulation 164(1) of SEBI ICDR Regulations, as per historical trading prices on BSE website for 90 Trading Days;

Annexure IB: Computation of share price of equity shares of M/s **HIM TEKNOFORGE LIMITED** shares under Regulation 164(1) of SEBI ICDR Regulations, as per historical trading prices on BSE website for 10 Trading Days;

Annexure II: Calculation of Fair Value using different method as per Independent Valuer.

Annexure III: Computation of Share Price of equity share of M/s. **HIM TEKNOFORGE LIMITED** as per Income Approach.



Annexure I - Determination of M/s HIM TEKNOFORGE LIMITED value per equity share of using ICDR Guidelines under Market Price method

Valuation of equity shares of M/s HIM TEKNOFORGE LIMITED under Regulation 164 of SEBI ICDR Regulations		
Particulars	Annexure Reference	VWAP (INR)
A:- Average of 90 trading days VW AP	Annexure IA	160.58
B:- Average of 10 trading days VWAP	Annexure IB	173.37
Applicable Minimum Price (Higher of the A or B)		173.37

Annexure IA: VWAP of 90 trading days volume weighted average price ("VWAP") preceding the relevant date:

Date	WAP	No. of Shares	Total Turnover (Rs.)
26-Jul-24	182.3892902	35575	6488499
25-Jul-24	180.3434436	29574	5333477
24-Jul-24	174.7679362	44923	7851100
23-Jul-24	163.6735662	37297	6104533
22-Jul-24	166.2908002	30392	5053910
19-Jul-24	166.4684527	54125	9010105
18-Jul-24	172.478737	75248	12978680
16-Jul-24	175.861291	41533	7304047
15-Jul-24	179.0691395	11889	2128953
12-Jul-24	183.6936353	24856	4565889
11-Jul-24	186.472584	18274	3407600
10-Jul-24	185.5293932	50641	9395394
09-Jul-24	196.6975709	35486	6980010
08-Jul-24	202.9040896	66510	13495151
05-Jul-24	200.8817669	61827	12419917
04-Jul-24	201.8001126	170461	34399049
03-Jul-24	194.1679357	31125	6043477
02-Jul-24	192.7548613	127230	24524201
01-Jul-24	184.6132525	30017	5541536
28-Jun-24	185.8415698	28896	5370078
27-Jun-24	184.5911033	51480	9502750
26-Jun-24	193.409096	80101	15492262



25-Jun-24	189.7798619	201519	38244248
24-Jun-24	176.0664021	24186	4258342
21-Jun-24	178.1791503	63243	11268584
20-Jun-24	177.4497793	139813	24809786
19-Jun-24	165.2430021	192558	31818862
18-Jun-24	148.8375486	15697	2336303
14-Jun-24	151.5283634	25473	3859882
13-Jun-24	149.4961411	61676	9220324
12-Jun-24	141.5828919	15291	2164944
11-Jun-24	141.7199318	19356	2743131
10-Jun-24	139.7239032	23796	3324870
07-Jun-24	137.4647755	15969	2195175
06-Jun-24	133.9575014	21836	2925096
05-Jun-24	125.2701127	15264	1912123
04-Jun-24	123.3014659	75448	9302849
03-Jun-24	138.9807297	16554	2300687
31-May-24	136.4780022	51937	7088258
30-May-24	134.1573252	77254	10364190
29-May-24	127.1888586	60172	7653208
28-May-24	130.9290792	5908	773529
27-May-24	131.6285724	29532	3887255
24-May-24	135.779068	32295	4384985
23-May-24	138.5019816	11859	1642495
22-May-24	138.1596392	31377	4335035
21-May-24	134.7947202	16402	2210903
18-May-24	135.7349218	2686	364584
17-May-24	135.1949703	10617	1435365
16-May-24	137.1985442	11403	1564475
15-May-24	133.6530676	41547	5552884
14-May-24	122.2557771	10083	1232705
13-May-24	121.125	12776	1547493
10-May-24	120.4280296	16347	1968637
09-May-24	123.4961848	19527	2411510
08-May-24	126.3640343	5255	664043
07-May-24	126.3479811	18797	2374963
06-May-24	131.7520319	6767	891566
03-May-24	131.7481987	12907	1700474
02-May-24	134.2287925	65920	8848362
30-Apr-24	136.603692	16197	2212570
29-Apr-24	135.8929808	57186	7771176
26-Apr-24	139.1648157	12966	1804411



25-Apr-24	141.1686828	19427	2742484
24-Apr-24	141.6357502	15709	2224956
23-Apr-24	142.1574656	4293	610282
22-Apr-24	143.8839969	31775	4571914
19-Apr-24	135.90316	5886	799926
18-Apr-24	136.901083	21422	2932695
16-Apr-24	138.9708337	23486	3263869
15-Apr-24	137.6458948	8136	1119887
12-Apr-24	141.610903	4806	680582
10-Apr-24	145.6644417	7191	1047473
09-Apr-24	146.3835285	15712	2299978
08-Apr-24	150.8437324	33769	5093842
05-Apr-24	142.7014976	17628	2515542
04-Apr-24	143.7273938	9013	1295415
03-Apr-24	146.1819284	23086	3374756
02-Apr-24	142.1886529	42936	6105012
01-Apr-24	128.9764216	19467	2510784
28-Mar-24	123.684837	42175	5216408
27-Mar-24	126.0513151	39579	4988985
26-Mar-24	128.2644873	27990	3590123
22-Mar-24	126.4226556	16614	2100386
21-Mar-24	122.8269042	28568	3508919
20-Mar-24	121.6034105	42868	5212895
19-Mar-24	124.2981278	27988	3478856
18-Mar-24	125.6917108	34020	4276032
15-Mar-24	124.1261741	16715	2074769
14-Mar-24	125.1449003	33492	4191353
VWAP of 90 trading days volume weighted average price ("VWAP") preceding the relevant date (INR)		3316607	53,25,89,023.00



Annexure IB : VWAP of 10 trading days volume weighted average price ("VWAP") preceding the relevant date:

Date	WAP	No. of Shares	Total Turnover (Rs.)
26-Jul-24	182.3892902	35575	64,88,499.00
25-Jul-24	180.3434436	29574	53,33,477.00
24-Jul-24	174.7679362	44923	78,51,100.00
23-Jul-24	163.6735662	37297	61,04,533.00
22-Jul-24	166.2908002	30392	50,53,910.00
19-Jul-24	166.4684527	54125	90,10,105.00
18-Jul-24	172.478737	75248	1,29,78,680.00
16-Jul-24	175.861291	41533	73,04,047.00
15-Jul-24	179.0691395	11889	21,28,953.00
12-Jul-24	183.6936353	24856	45,65,889.00
VWAP of 10 trading days volume weighted average price ("VWAP") preceding the relevant date (INR)		385412	6,68,19,193.00



ANNEXURE II. Calculation of Fair Value using different method as per Independent Valuer

1. Book Value Method

For arriving at Book Value Method, Financial Data was available till the period ending 31st, March, 2024 and thus, Book Value per equity shares has been calculated as on 31st March, 2024.

Book Value Calculation	
Total Assets	4136342000
Less:- Liabilities	2336210000
Book Value of Net Assets	1800132000
Number of Shares.	7866016
Value Per Share	228.84

The above figures have been taken from publicly available information and based on 31.03.2024

2. Market Approach

The fair value of equity shares in terms of regulation 164 of SEBI ICDR 2018 (Amended 2023) as on the relevant date that is 29th, July, 2024 is 173.37 Refer details in Annexure 1.

3. Income Approach

The value of Equity shares as per Income Approach is Rs. 36.24. Refer details in Annexure 3.

Fair Value- Closing Market Price as on relevant date as follows:

Particulars	Fair value per share	Weight	Weighted price per share
Book value Approach	228.85	1	228.85
Market Approach	173.37	3	520.11
Income Approach	36.24	2	72.48
Total value			821.44
Weighted avg price per share			136.91



Note-A

Assigning weights to different valuation methods is a subjective decision that depends on various factors, including the nature of the business, the industry it operates in, and the availability and reliability of data. The weights assigned to different valuation methods reflect the importance or relevance attributed to each method in the overall valuation process. Rationale for assigning weights of 3 to the Market Price Method, 2 to the Comparable Company Multiple Method, and 1 to the Book Value Method is as follows:

1. Market Price Method (Weight: 3):

Rationale: The Market Price Method is given the highest weight because it directly reflects the current market sentiment and investor perceptions of the company's value. This method is based on the current trading price of the company's shares in the open market, providing a real-time assessment of the company's worth. In dynamic and liquid markets, this method is often considered a reliable indicator of the market's collective opinion on the company's value.

2. Income Method (Weight: 2):

Rationale: The Comparable Company Multiple Method involves comparing the financial metrics (such as price-to-earnings ratios, EBITDA multiples, etc.) of the target company to those of comparable publicly traded companies. This method is given a moderate weight because it considers future cash flows which is based on various factors also and there are factors which are outside the control of market and the company. DCF is good measure of value when the shares are not frequently traded.

3. Book Value Method (Weight: 1):

Rationale: The Book Value Method relies on the company's accounting records and represents the net asset value of the business. This method is given the lowest weight because it may not reflect the market's perception of the company's future earnings potential or intangible assets. Book values are historical and may not account for changes in the market environment or the company's competitive position. It's important to note that these weights are subjective and can vary based on the circumstances surrounding the valuation. Additionally, a comprehensive valuation analysis often considers a combination of methods to arrive at a more robust and well-rounded estimate of the company's value.



ANNEXURE III: Computation of Share Price of equity share of M/s. HIM TEKNOFORGE LIMITED as per Income Approach.

M/s. HIM TEKNOFORGE LIMITED

DCF Approach

Valuation as per Free Cash Flows to the Equity (FCFE)

As at 29th July, 2024

Particulars	Financial Year Ending					
	Rate	31-03-2025	31-03-2026	31-03-2027	31-03-2028	31-03-2029
Net Profit after Tax		1,120.16	1,685.77	2,407.55	3,059.94	3,667.62
Add: Depreciation		1,021.17	1,039.43	935.00	1,050.00	1,050.00
Add: Share Capital raised		-	-	-	-	-
Less: Capital Expenditure		-1,400.00	-1,000.00	-1,000.00	-1,000.00	-700.00
Less: Changes in Working Capital		-711.75	-630.44	-1,478.78	-2,266.01	-3,441.65
Less: Changes in Non-Current Assets		-4.98	202.81	498.61	315.99	375.17
Add: Changes in Non-Current Liabilities		-439.28	-1,263.12	-1,219.59	-819.09	-575.97
Free Cash Flow to Equity (FCFE)		-414.68	34.45	142.79	340.83	375.17


Terminal Value: (Amount in Lakhs except Value Per Share)

Terminal Cash Flow	375.17
Terminal Growth rate (g)	4.00%
Terminal Value	4,609.17
Discounted Terminal Value	2,660.02
Value per share:	
Total DCF of explicit period	187.37
Discounted Terminal Value	2,660.02
cash & cash equivalents	3.25
Less: debt	-
Equity Value	2,850.65
Net Equity value	28,50,64,906.16
No. of shares (fully diluted)	78,66,016
Value per share	36.24



1. The data for Balance sheet as on 31.03.2024 has been taken as base figure for the valuation date and projections
2. The effect of fund raised in future is not considered in projections

Yours faithfully,



Name – CA Navin Khandelwal
IBBI/RV/05/2019/10779
Place: Indore
Date: 31st July, 2024
UDIN: 24077687BKBFZP7469

