

VALUATION REPORT

**VALUATION OF EQUITY SHARES OF  
WINDFIELD SPACES PRIVATE LIMITED**

**RV Priyanka Giriraj Singhi**

IBBI/RV/06/2021/14398

Sep 02, 2024

**DISCLAIMER:**

This exercise of calculating Fair value of equity shares of WINDFIELD SPACES PRIVATE LIMITED (“The Company”) is being undertaken by Priyanka Giriraj Singhi (“Registered Valuer/The Valuer”) at the request of PARLE INDUSTRIES LIMITED. 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.

This report has been based on the information provided by WINDFIELD SPACES PRIVATE LIMITED, Parle industries and from other sources believed to be reliable. While the information contained herein is believed to be accurate, no representation or warranty, expressed or implied, is or will be made and no responsibility or liability will be accepted by the valuer as to, or in relation to the accuracy or adequacy of information contained in this report. The opinions and recommendations in this report are provided in good faith.

This report has been prepared for a limited purpose / scope, as identified / stated in the report and will be confidential and for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence of discussions with any person, except to whom it is issued and to those who are involved in this transaction and for various approvals for this transaction.

The valuation of companies and business is not precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. Whilst I consider my valuation to be both reasonable and defensible based on the information available to me, others may place a different value to the same.

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## 1. EXECUTIVE SUMMARY

PARLE INDUSTRIES LIMITED wants to ascertain the fair value of equity shares of WINDFIELD SPACES PRIVATE LIMITED (the Company) for the purpose of acquisition of shares from its existing shareholder and hence, the company needs a valuation report from a registered valuer as on valuation date, i.e. 31 Aug 2024. The company has appointed Priyanka Giriraj Singhi, a registered valuer for carrying out the valuation.

The Analysis of the Fair Value of Equity share of Windfiled as on 2<sup>nd</sup> September 2024 based on the Financials as on 31st march 2024.

I have gone through the documents provided by the company, including past financials and had written and oral discussions with the management of the company.

***As per my opinion, fair value of equity share is Rs. 2196.00/-***

I have used facts, circumstances and inputs as on valuation date and therefore validity of the report is contingent upon changes in the market conditions and performance of the company.

## 2. INTRODUCTION

Corporate Information	
<b>CIN</b>	U45200MH2007PTC168474
<b>Company Name</b>	WINDFIELD SPACES PRIVATE LIMITED
<b>Date of Incorporation</b>	01-02-2013
<b>Company Category</b>	Company limited by Shares
<b>Constitution</b>	Private limited company
<b>Listing Status</b>	Unlisted
<b>Registered Office Address</b>	435, New Sonal Industrial Estate Link road , Malad West Mumbai -400064

Valuer and other experts involved, if any:

I am registered Valuer under asset classification Securities & financial assets, registered with Insolvency and Bankruptcy Board of India. My appointment and report is covered under section 247 of Companies Act, 2013. No other expert was involved in this transaction.

Identity of Valuer	
<b>Name of the Valuer</b>	Priyanka Giriraj Singhi
<b>Valuation Category</b>	Securities & Financial Assets
<b>Registration No</b>	IBBI/RV/06/2021/14398
<b>Address</b>	A-203, Sai Green Vatika Dattani Park, Thakur Village, Kandivali (East), Mumbai – 400101
<b>Contact Details</b>	Mo No: +91 9975708960 Email- <a href="mailto:Priyankapkakani@gmail.com">Priyankapkakani@gmail.com</a>

Valuation Specifics	
<b>Appointing Authority</b>	Parle Industries
<b>Date of Appointment</b>	22 <sup>nd</sup> Aug, 2024
<b>Valuation Reference Date</b>	31 <sup>st</sup> Aug 2024
<b>Date of Valuation Report</b>	2 <sup>nd</sup> Sep 2024
<b>Valuation Currency</b>	INR
<b>Instrument to be Valued</b>	Equity Shares
<b>Valuation Standard Used</b>	International Valuation Standard (IVS) and Indian Valuation Standards issued by ICAI
<b>Valuation Premises</b>	Going Concern Value

### 3. SCOPE & PURPOSE OF THE ASSIGNMENT

Based on discussion with management, we understand that PARLE INDUSTRIES LIMITED wants to ascertain the fair value of equity shares of WINDFIELD SPACES PRIVATE LIMITED (the Company) for the purpose of acquisition of shares from its existing shareholder.

This report has been prepared for the Board of Directors of PARLE INDUSTRIES LIMITED solely for the purpose as mentioned in above para and should not be used for any other purpose by anyone. The value mentioned herein is arrived at based on the information mentioned in "Source of Information" section of this report.

PARLE INDUSTRIES LIMITED has engaged **Priyanka Giriraj Singhi a Registered Valuer** (Registration no: IBBI/RV/06/2021/14398) vide letter dated 22<sup>nd</sup> Aug 2024 to issue valuation report of the fair value of equity shares of WINDFIELD SPACES PRIVATE LIMITED

### 4. SOURCES OF INFORMATIONS

All information related to the company, including but not limited to Profit & Loss accounts and Balance Sheet of the company were sourced from the management of the company in digital format or written hard copy. All information, explanation, data has been provided which includes:

- Memorandum & Articles of Association of the Company
- Information, documents, data, reports, explanations, Discussion etc. provided by the Company.
- Management Representation of the Company
- Projected financial statements for next 5 years upto March 2030
- Audited Balances sheet of financial year 2024, 2023, 2022

## 5. ABOUT THE COMPANY

WINDFIELD SPACES PRIVATE LIMITED (the company) was incorporated on Feb 1, 2013. The main object of the company is as under:

“To carry on the business of developers, builders, masonry, contractors, real estate agents, managers, administrators in India or abroad, estates, buildings, flats, garages, houses or other landed properties of any description and any estate or interest therein. To carry on the business of preparing of building sites, construction, altering, erecting, improving and maintaining of houses, godowns, and other commercial purposes and other properties of any tenure and any interest therein, Information Technology park, townships, apartments, IT infrastructures, shelters, whether upon of otherwise, Special Economic Zone, and or residential, office, industrial institutional or commercial or developer or developers of townships, holiday resorts, hotels, motels and to equip the same or part thereof with all or any amenities and /or connected with internet gateways & information technology.”

The Land Parcel owned by Windfield Spaces Private Limited is strategically located at the hill top of Shyadhri Hills encompassing the Sahara Ambey Valley Hill Station project spread over more than Ten Thousand Acres of Lush Green Land on the Hill Top. The land parcel has easy accessibility from road, rail, air and by helicopter from Mumbai & Pune City. Windfield Spaces Private Limited is developing a Layout sanctioned by the Town Planning Maharashtra, Pune. Windfield Spaces Private Limited is engaged in development of 20 Bungalow Plots of 1 Acre each. The marketing of these Plots will be done overseas by deploying professional Marketing Agencies who are experts in the marketing of such Real Estate Projects.

The selling price of these plots will vary between 4 crores to 6 crore per plot of 1 Acre depending upon the topography and scenic surrounding of particular Plot being offered for sale to celebrities and elite class of selected customers The Plots will be sold to prospective customer, suitable for construction of Luxurious Bungalows to be customized to be Build as per the plot owners requirements at a prederunted cost of construction. The construction of the bungalow will be carried at by Windfield Spaces Private Limited through their designated Contractors, yielding a handsome long term revenue to Windfield Spaces Private Limited. The Layout infrastructure development such as internal roads, other utilities such as electricity, water, landscaping and other recreation facilities such as club house, experience center etc. will be provided by a separate company who will be owning the land for infrastructure Development and they will build, operate and maintain the infrastructure facilities to be provided in the said layout to the plot owners for a price. All the aforesaid features will add to the sale ability of the Plots offered for sale by Windfield Spaces Private Limited.

Shareholding pattern of the Company as on 31 Aug 2024 is given below:

<b>Name of Shareholder</b>	<b>Number of Shares</b>	<b>% Stake</b>
Brilliant Properties Private Limited	1,60,100	80.05%
Apple Capital Management Private Limited	35,300	17.65%
Mahindra Jhunhunwala ( Nominee of Brilliant Property Private Limited)	100	0.05%
Purushottam Bohra	4500	2.25%
Total	2,00,000	100%

Present Board of Directors of the Company are as under:

<b>DIN</b>	<b>Full Name</b>	<b>Designation</b>
10593507	ASHUTOSH KANORIA	Director
09183569	MAHENDRAKUMAR MAHABIRPRASAD JHUNJHUNWALA	Director

## 6. VALUATION APPROACHES AND METHODOLOGY

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

Valuation of business is not exact science and untimely depends upon what is worth to serious investor or buyer who may be prepared to pay for sustainable goodwill. This exercised may be carried out through various Methodologies, the relative emphasizes of each often varying with

- 1) Whether entity is listed on a stock exchange
- 2) Industry in which stock exchange belongs
- 3) Past track of business and the ease which growth rate in cash flow to perpetuity can be estimated
- 4) Extend to which industry and comparable company information is available

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

### A) VALUATION APPROACHES AND METHODS

The valuation approaches described in IVS 105 may be applied to the valuation of financial instruments. The three approaches described and defined below are the main approaches used in valuation. They are all based on the economic principles of price equilibrium, anticipation of benefits or substitution.

The principal valuation approaches are:

- (a) Market approach,
- (b) Cost/Asset approach,
- (c) Income approach

The goal in selecting valuation approaches and methods for an asset is to find the most appropriate method under the particular circumstance. No one method is suitable in every possible situation. The selection process should consider, at a minimum:

- the appropriate basis(es) of value and premise(s) of value, determined by the terms and purpose of the valuation assignment,
- the respective strengths and weaknesses of the possible valuation approaches and methods,
- the appropriateness of each method in view of the nature of the asset, and the approaches or methods used by participants in the relevant market, and
- the availability of reliable information needed to apply the method(s).

a) Market Approach : Comparable Company Market Multiple Method

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

No publicly traded company is an identical match to the operation of given company. Important information can be drawn from the way comparable companies are valued by public markets however data is available only for public listed companies larger in size than the Greenfield. The company's size, area of operations are different hence we are not able to find suitable matching companies for comparison and hence, we are giving zero weightage to this method

b) Asset Approach: Net Asset Value Method (NAV)

The value arrived at under this approach is based on audited financial statement of the business and may be defined as shareholders fund or net asset owned by business and may be defined as shareholders Fund or Net asset owned by the business. The balance sheet values are adjusted for any contingent liabilities are likely to materialize.

The net asset value is generally used to as minimum break value for the transition since this methodology ignore the future returns the asset can produce and is calculated using historical accounting data that does not reflect how much business is worth to someone who may buy is as going concerns

The company is in growth stage and started land plotting which will generate revenue in next 5 years from date of valuation. Accordingly, the current NAV would not be reflective of its growth potential thus would not reveal the true value of company. Hence keeping this context, we are giving zero weightage to value as per this method (Calculation of Nav- Annexure-2)

c) Income Approach: Discounted Cash Flow method (DCF)

The income approach provides an indication of value by converting future cash flow to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset.

Although there are many ways to implement the income approach, various methods under the income approach are effectively based on discounting future amounts of cash flow to present value (i.e. DCF method). This method uses future free cash flow of the company discounted by firms weighted average cost of capital (The average cost of all capital used in the business, including debt and equity), Plus risk factor related to industry and size, to arrive at present value.

The DCF method is strong valuation tool, as it concentrates on cash generation potential of business. The valuation based on capability of a company to generate cash flow in future year .The free cash flows are projected for certain number of years and discounts at discount rate that reflects a company cost of capital and risk associates with the cash flow it generates DCF Analysis the based on following elements.

- a) Projections of Financial statements (Key valuing driving factors)
- b) The cost of capital to discount project cash flows

**Keeping in mind the context and purpose of Report, we are giving 100 % weight to the DCF method as it captures the growth potential of business going forward . We have used this method to calculate the fair value of equity of company based on financial projections prepared by the management of the company.( Annexure-1)**

Free Cash Flows

We have been provided with the projected financials statement of 5 years ending 31 march 2030 by the management which we have considered for our analysis. These include projected income statement, Projected investment in capital expenditure, projection of working capital requirements. Accordingly, the projected free cash flow to equity ("FCFE") based on financials statement as below:

Financial Year	*2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
FCFE (in CRS)	-5.32	10.01	15.55	13.83	5.28	14.74

- 7 months data

### Terminal Value

The terminal value refers to present value of business as going concerns beyond the period of projection up to infinity. This Value is estimated by taking into account expected growth rates of business in future, sustainable capital investments required for the business as well the estimated growth rate of industry and economy . Based on dynamics of sector, average growth rate observed in industry and discussion with management, we have assumed terminal growth rate of Rs 0.1% for company beyond the projection period. The cash flows of FY 2029-30 used to determine the terminal value.

### Discount Factor

The discount factor considered for arriving present value of free cash flows to equity is cost of capital i.e. cost of equity. The cost of equity is computed by using the buildup method using formula shown below.

Cost of Equity (KE)= Equity Premium + Premium

Equity Risk Premium – Equity risk premium is market rate of return (CAGR of BSE 500 from Feb 1999 to Aug 2024) which is 15.21%

Premium - Keeping in mind size of the company and sector in which it operates a premium of 9% is added to discount rate

Based on above parameters cost of equity is 15.21%

## 7. Opinion on Fair Value of Equity Shares: -

Based on our valuation exercise Fair Value of equity shares is as follows :-

Method	Value Per share	Weight	Product
DCF (Annexure-1)	2196.00	100%	2196.00
NAV Method (Annexure-2)	13.96	0	0
CCM Method (Annexure-3)	267.99	0	0
Total			Rs 2196.00

The weight explanations are given in 6 valuation approach in report

## **8. EXCLUSIONS / DISCLAIMER / LIMITATION / WARRANTIES & CAVEATS**

- This document has been prepared by “Priyanka Giriraj Singhi ” a Registered Value for Securities or Financial Assets” for the purposes stated herein and should not be relied upon for any other purpose. My client, Parle industries is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use and the Regulations. I do not take any responsibility for the unauthorized use of this report.
- I owe responsibility to only to the client, Parle industries 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 company, it’s 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.
- I do not provide assurance on the achievability of the results forecast by the management/owners as events and circumstances do not occur as expected; differences between actual and expected results may be material. I express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management.
- 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, i.e. Aug 31,2024 Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date. I have no responsibility to update this Report for events and circumstances occurring after the relevant date. Further, I take no responsibility for changes in market conditions.
- 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. To comply with the client's request, I have provided a single value for the equity shares of the company. 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 our estimate of value, depending upon the circumstances of the transaction, the nature of the business. 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/owner 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 owners/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/asset complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies/business/assets 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 provided to us.

- The valuation report is tempered by the exercise of judicious discretion by me as the Registered Valuer, and judgment taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the 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. In such event, the party seeking my evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and my tendering evidence before such authority shall be under the applicable laws.
- I have not verified the record, books of accounts and title deeds of the properties, as this is beyond the agreed scope of our services stated in our engagement letter.
- My valuation is primarily from a business perspective and I have not considered various legal and other corporate structures beyond the limited information made available. The scope of work has been limited both in terms of the areas of the business and operations which have been reviewed. There may be matters, other than those noted in this report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- I have not physically inspected the assets of the company. No responsibility is assumed for latent defects of any nature whatsoever, which may affect value. This valuation assumes that assets of the company are in working condition. There are no Infringement of brand, trade or patent or any significant lawsuits, or any other undisclosed Contingent liabilities which may potentially affect the value, except as explicitly stated in this report.
- I have not done any analysis of various compliances, permits and licenses under central, state and local laws / regulations applicable to the operation of the company, and this valuation does not consider the effect, if any, of non-compliances.
- I have assumed that the business continues normally without any disruptions due to statutory or other external/internal occurrences, including any environmental or ecological matters or interpretations thereof, unless otherwise stated. I have acted as an independent third party and, as such, shall not be considered an advocate for any concerned party for any dispute. The valuation has been carried out independently to assess the valuation

services. I have no present or planned future interest in [company] or any of its group companies and the fee for this report is not contingent upon outcome of the transaction. My valuation should not be construed as investment advice; specifically, I do not express any opinion on the suitability or otherwise of entering into any transaction with company.

- I have made certain assumptions in relation to facts, conditions or situations, affecting the valuation or approach to, this exercise that has not been verified as part of the engagement rather, treated as “a supposition taken to be true”. If any of these assumptions prove to be incorrect then my estimate on value will need to be reviewed.
- Neither all nor any part of the contents of this Report (including the valuation methods, the identity of the Valuer, or any reference to any of his professional designations) should be disseminated to the public through advertising media, public relations, news media, sales media, mail, direct transmittal, or any other means of communication without our prior written consent and approval.
- No change of any item in this valuation report shall be made by anyone other than author of this report, and I shall have no responsibility for any such unauthorized change.

### **Registered Valuer**

**Priyanka Giriraj Singhi**

**IBBI/ RV/06/2021/14398**

UDIN- 24132377BKHCVQ4706

**Annexure:1 (Discounted method of valuation -Income Approach )**

Cash Flow Projection (Rs in Cr except for Equity Shares/Value if Equity)

Particulars	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	
Profit After Tax(A)	0.57	12.92	19.56	22.16	23.38	26.99	
Dep(B)	-	-	-	-			
Change in Working Capital (C)	-5.89	-2.91	-4.01	-8.33	-18.10	-12.25	
Capital Investment(D)	-	-	-	-			
Other Term Assets							
Short term loan repayment							
Redeemable preference shares	-	-	-	-			
FCFE(A+B_C_D)	-5.32	10.01	15.55	13.83	5.28	14.74	
Discount Rate 24.21% (Refer Annexure 2)							
Discount Factor	0.88	0.71	0.57	0.46	0.37	0.30	
PV of FCFE	-4.69	7.10	8.88	6.36	1.96	4.40	24.01
PV of Terminal Value							21.05
Add Cash And Bank Balance							0.02
Add Long Term Loan & Advances							3.45
Less Long term Loan							4.62
Total Present Value							43.92
Equity Value (Rs In Cr)							43.92
Equity Value in Rs							43,92,00,000.00
No. of Equity Shares*							2,00,000.00
Value per Equity Share							2196.00
*absolute value							

Discount Rate /Cost of Equity

Equity Risk Premium	15.21%
Size & Sector Premium	9.00 %
Discount Factor	24.21%

Terminal Value (TV)	Amount IN CR
Terminal Growth Rate	0.1%
Terminal value	70.58
Discount Factor	0.30
PV of Terminal value	21.05

Annexure- 2 Valuation of Equity Shares As per NAV method

<b>Particulars</b>	<b>Amount in Rs</b>
<b>Assets</b>	
Fixed Asset *	35,25,817.00
Long Term Loan & Advances	3,44,41,095.00
Trade Receivable	17,36,848.00
Cash and cash equivalents	1,27,254.00
Other current assets	16,54,06,152.00
<b>Less</b>	
<b>Liabilities</b>	
Other Long-term liabilities	4,61,54,000.00
Trade Payable	13,00,43,331.00
Other current liabilities	2,61,09,512.00
Networth For Shareholder	29,30,323.00
<b>No Of shares</b>	2,00,000.00
<b>Value per share</b>	<b>14.65</b>
Note- values are taken as per Audited balancesheet of 31/03/2024	
*In the absense of farm house fair value we consider book value	

Annexure-3 – Calculation Of Equity Shares as per CCM method

<b>Particulars</b>	<b>P/E</b>
Ratios as per Listed Peers (Note 1)	84.21
PAT of the Company (in INR Cr) (March 2024)	0.0624515
Equity Value (in INR Cr)	5.26
No. of Shares	2,00,000
<b>Value per share (in INR)</b>	<b>262.9374687</b>
<b>Note-1</b>	
<b>Peer Companies</b>	<b>P/E Ratio</b>
Oberoi Realty Ltd	39.05
DLF Ltd	190.86
Godrej properties Ltd	85.86
Average Ratio	105.26
Size Discount @ 20%	21.05
Adjusted Average Ratio	84.21