

Date: March 02, 2024

Ref: RKN/RIL/Valuation-Equity Shares/23-24

Refex Industries Limited

2nd Floor, No.313, Refex Towers, Sterling Road,
Valluvar Kottam High Road, Nungambakkam,
Chennai-600034, Tamil Nadu

Subject: Report on fair value of Equity Shares of Refex Industries Limited.

I. Scope and Purpose of the Report:

I, Rajeev Kumar Nayak, Registered Valuer (in the category of Securities or Financial Assets) under the Companies Act, 2013 and having registration no. IBBI/RV/02/2022/14553 (hereinafter referred to as “**Valuer**” or “**we**” or “**I**” or “**us**”) have been engaged via engagement dated February 23, 2024 by M/s Refex Industries Limited (CIN: L45200TN2002PLC049601), a company incorporated under the provisions of the Companies Act, 1956 and existing under Companies Act, 2013 and having its registered office at 2nd Floor, No.313, Refex Towers, Sterling Road, Valluvar Kottam High Road, Nungambakkam, Chennai-600034, Tamil Nadu (hereinafter referred to as “**RIL**” or “**the Company**” or “**Client**”) for fair valuation of its Equity Shares for the purpose detailed in the below paragraph.

Background:

We have been informed by the management that RIL is proposing to issue Equity Shares/ Convertible Warrants on preferential basis in terms of Chapter-V (Preferential Issue) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**ICDR Regulations**”), the Companies Act, 2013 (“**Companies Act**”) and other applicable rules and regulations [“**Proposed Preferential Issue**”] to Promoter and Promoter Group. We have been further informed by the management that the

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Proposed Preferential Issue will result in allotment of more than 5% of post issue fully diluted share capital of RIL.

In the context of the above, RIL has approached us for the purpose of determining the fair value of Equity Shares of RIL in terms of Regulation 166A of the ICDR Regulations for the purpose of the Proposed Preferential Issue.

Further, Article 14 of the Articles of Association (AOA) of RIL inter-alia provides that in case of issuance of shares (other than on rights basis), price of such shares should be determined by the valuation report of a registered valuer subject to Special Resolution and such conditions as may be prescribed. Accordingly, our valuation report can also be considered in compliance of requirement of AOA of the Company.

The scope of our services is to conduct the valuation of Equity Shares and determine the fair value of Equity Shares for the limited purpose as mentioned above and may not be used for any other purpose.

We have been informed by the management that, the Company is proposing to hold extra-ordinary general meeting (“EGM”) for consideration and approval of Proposed Preferential Issue on March 27, 2024 and hence in terms of ICDR Regulations, Relevant Date for the purpose of Proposed Preferential Issue is **February 26, 2024** (“**Relevant Date**”). Accordingly, we have considered the valuation cut- off date as closure of business hours of February 26, 2024. (“**Valuation Date**” or “**Valuation cut-off date**”)

II. Disclosure regarding identity of the Valuer and Conflict of Interest:

I, Rajeev Kumar Nayak, having offices at ‘E-5, LGF, Greater Kailash Enclave-1, New Delhi- 110048’ and ‘202, First Floor, Plot No. 445, Sector- 4, Vaishali- 201010, Ghaziabad’, am a Registered Valuer in respect of Securities or Financial Assets, duly

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registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. **IBBI/RV/02/2022/14553**. The PAN of Valuer is **ALEPN1361J**.

I do not have any conflict of interest in the present valuation exercise as I do not hold any share or other pecuniary interest in the Company under the valuation except fee or any other payment received/to be received for carrying out any professional services, if any. I am not associated with the management of the Company, their promoters or any other group company in any way other than in professional capacity, if any. Accordingly, there is no conflict of interest among the Valuer and the Company under the valuation exercise. Prior to accepting this engagement, I have considered my independence.

I will receive a fee for our services in connection with the delivery of this Valuation Report and our fee is not contingent upon the result of proposed transaction.

III. Background information about Refex Industries Limited

Refex Industries Limited (CIN: L45200TN2002PLC049601) is a public limited company incorporated on September 13, 2002 under the provisions of the Companies Act, 1956.

Based on its Annual Report and discussion with the management, RIL is primarily engaged in the following businesses:

- ✚ **Refrigerant Gases:** Under this segment, RIL is primarily involved in the filling of HFCs under the brand name “Refex” which are substitutes for ozone-depleting CFCs and HCFCs.
- ✚ **Ash & Coal Handling Business:** Under this segment, RIL sources quality coal from domestic and international players and offers it at competent prices to thermal power plants. Further, the Company is also involved in Coal

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Handling Plant (CHP) business, which refers to a comprehensive system or facility designed to handle coal efficiently at various stages, starting from unloading coal from incoming trains or trucks to its storage, processing, and onward supply to destinations like power plants or industrial facilities for energy generation or other purposes.

The thermal power plants are required to dispose ash in an effective and environment-friendly approach. Along with the coal-handling activity, the Company had also been providing services for the handling and disposal of ash.

✚ **Solar and Renewables Business:**

RIL has entered into a long-term power-purchase agreement with NTPC Vidyut Vyapar Nigam Limited in order to satisfy the future's constant energy needs, which will be clean, environmentally friendly, and sustainable. The Company has entered into a lease agreement on land with the Rajasthan government for a 5MW solar power facility and also entered into a lease agreement with Essel Mining Limited for the operation of solar energy equipment.

✚ **Power Trading:** RIL offers a wide range of power trading solutions, encompassing power exchange, bilateral agreements, power banking & swapping, and group captive models. The Company's expertise extends to both conventional and non-conventional sources of power, catering to diverse entities across India. RIL holds a CERC-approved Category-I licence for inter-state power trading, which allows it to conduct power trading activities with no upper limit on the volume of electricity it is permitted to trade.

✚ **Electric Vehicle Operations:** RIL has recently started Electric Vehicle operations (through its wholly owned subsidiary, Reflex Green Mobility Limited). Under this division, RIL provides a 100% company owned EV fleet to transport people. Currently, the company is serving corporates and is in discussion with other institutional groups. The offering comprises a technology

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integrated fleet management service to ensure transparency to the service recipients including centralised vehicle command and control centre.

Shareholding Pattern:

As per the shareholding pattern of RIL for quarter ended December 31, 2023, equity shareholding pattern of RIL are as follows:

Category of Shareholders	Number of Equity Shares held (Face value of INR 10 each)	%shareholdings
Promoter & Promoter Group	11,789,617	53.27%
Public	10,343,921	46.73%
TOTAL	22,133,538	100.00%

The Equity Shares of RIL are listed at BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”)

IV. Sources of Information:

For the purpose of valuation exercise, we have relied on the information provided to us by the management of RIL which we believe to be reliable and our conclusions are dependent on such information being complete and accurate in all material respect. In particular, we were provided with the following information by the management of RIL for the purpose of our value analysis:

- + Brief background about Proposed Preferential Issue.
- + MOA, AOA and Certificate of Incorporation of RIL.

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- ✚ Shareholding pattern of RIL for the quarter ended December 31, 2023.

For the purpose of our value analysis, we have used the following information that is available in public domain:

- ✚ Annual Report and quarterly results of RIL for the relevant period. **(Source: RIL website)**
- ✚ Brief write up about RIL and its business. **(Source: RIL website and Annual Report)**
- ✚ Market Price of Equity Shares of RIL for the relevant period. **(Source: BSE and NSE Website)**
- ✚ Proprietary Database subscribed by the Valuer.

In addition to the above, we have considered such other information/data available in public domain and considered relevant for the purpose of our valuation exercise. The Client has been provided with the opportunity to review the draft report for this engagement to make sure that factual inaccuracies are avoided in our final report.

V. Procedure adopted and valuation method(s) followed for the assignment:

In connection with this exercise, we have adopted following approaches to carry out the valuation:

- Requested and received relevant data and information from the management of the Company.
- Considered relevant data (including financial data) available in public domain.
- Selection of valuation methodologies as considered appropriate by us for the present exercise.

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- Arriving at fair value of shares of the Company.

VI. Approach and Methodology considered in our Value Analysis:

General Principle for Valuation

There is no single definition of the term 'Value' that is suitable for all purposes or at all times. The value of a particular asset may vary according to different valuation methodologies that are adopted to ascertain the value for a specific purpose. Valuation of securities is an inexact science. It may sometimes involve a set of judgments and assumptions that may be subject to certain uncertainties.

Bases of Value

The Report has been prepared on the basis of "Fair Value" as on Valuation Date. IFRS 13/ IND AS 113 defines the Fair Value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Premise of Value

Our Report has adopted "Going Concern Value" as premise of value in the current valuation exercise. The generally accepted definition of Going Concern value is the value of the business/company that is expected to continue to operate in the future.

We have carried out the valuation exercise in accordance with the principles laid down in the International Valuation Standards (IVS) issued by the International Valuation Standards Council (IVSC), as applicable to the purpose and terms of the engagement.

Regulatory requirement w.r.t valuation exercise:

Regulation 166A of the ICDR Regulations provides for other conditions for pricing relating to preferential issue by listed entity in certain cases. As per Regulation 166A, any preferential issue, which may result in a change in control or allotment of more

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than 5% of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price. Further, the floor price in these cases shall be higher of the floor price determined under Regulation 164(1), 164(2) or 164(4) of ICDR Regulations or the price determined under the valuation report from the independent registered valuer or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable.

We understand that Proposed Preferential Issue will result in allotment of more than 5% of post issue fully diluted share capital of RIL. Further, we have informed by the management that, Proposed Preferential Issue will not result in change in control of the Company.

Accordingly, we are carrying out the valuation exercise to determine the fair value of Equity Shares of RIL in terms of Regulation 166A of the ICDR Regulations. However, we have not determined/calculated control premium since the Proposed Preferential Issue will not result in change in control of the Company.

Further, Article 14 of the Articles of Association (AOA) of RIL inter-alia provides that in case of issuance of shares (other than on rights basis), price of such shares should be determined by the valuation report of a registered valuer subject to Special Resolution and such conditions as may be prescribed. Accordingly, our valuation report can also be considered in compliance of requirement of AOA.

Selection of Valuation Methodology

There are following three main valuation approaches –

- ✓ Market Approach,
- ✓ Income Approach, and
- ✓ Asset Approach

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There are severally commonly used and generally accepted methods within the above-mentioned approaches for determining the fair value of Shares of a Company which can be considered in the present valuation exercise, to the extent relevant and applicable, such as:

- **Asset Approach:** Net Asset Value (NAV) Method
- **Income Approach:** Discounted Cash Flow (DCF) Method, Capitalization of Earnings Method
- **Market Approach:** Market Price Method, Comparable Company Multiples (CCM) Method

It should be noted that the valuation of any company or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to general business and economic conditions, many of which are beyond the control of the Company. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financials and otherwise, of the company/business, and other factors which generally influence the valuation of company and its assets.

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

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+ Net Asset Value (NAV) Method

The asset based valuation technique is based on the value of the underlying net assets of the business, either on book value basis or realizable value basis or on replacement cost basis. The net asset value ignores the future returns the asset can produce and is calculated using historical accounting data. NAV Method is mainly used in the cases where the business is to be liquidated, i.e., it does not meet the going concern criteria or in cases where the assets base dominates earnings capability.

The present valuation exercise is being carried out on going concern basis. Further, book value of assets of the company may not truly reflect the earning potentials. Therefore, though we have calculated the NAV per Equity Share based on latest available consolidated financials of RIL, we have given zero weight to this approach to arrive the fair value of Equity Shares of the Company.

+ Discounted Cash Flow (DCF) Method

Under DCF Method, the projected free cash flows of the company/ business are discounted at a discount rate which reflects perceived riskiness of the projected cash flows in order to arrive at their present value. Then, the terminal value of the company/ business is calculated based on the free cash flow of the last year of the forecast period, which is based on the future long- term growth of the revenues. This terminal value is then discounted to get the present terminal value. The present value of free cash flows for the projected period and present value of terminal value is added to arrive at the enterprise value. Thereafter, adjustment for non-operating assets/liabilities, surplus cash and cash equivalents is made to arrive at the fair value of the company/business.

The Equity shares of RIL are listed at BSE and NSE. Being a listed entity, information relating to future projections (future profit & loss account, balance sheet and cash flow statements) may be price sensitive. The management of RIL has not provided future financial projections of RIL. Therefore, we have not used this method for the valuation exercise.

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+ Capitalization of Earnings Method

This method is being used for valuing a going concern business with reasonable profitability track record. It involves determining the maintainable earning level of the business/entity from its normal business operations. This maintainable profit (considered on post tax basis) is then capitalized at a rate which in the opinion of the Valuer combines an adequate expectation of rewards from enterprise and related risk, to arrive the value of the business.

This method relies on the past profits to arrive/estimate the maintainable profits in future which may not truly reflect the future earnings potentials. Therefore, though we have calculated the value per share using Capitalization of Earnings Method, we have given zero weight to this approach to arrive the fair value of Equity Shares of the Company.

+ Market Price Method

The market price of an equity share quoted on a stock exchange is normally considered as the value of equity share of the Company, if such shares are frequently traded subject to speculative support that may be inbuilt in the value of such shares.

The Equity shares of RIL are listed at NSE and BSE. There are regular transactions in its Equity Shares with adequate volume at NSE and BSE. Further, Equity Shares of RIL is frequently traded in terms of the provisions of the ICDR Regulations.

Therefore, for the purpose of valuation exercise, we have considered Market Price Method. For the purpose of arriving the value per Equity Share under this method, we have considered the pricing methodology prescribed under Regulation 164(1) of the ICDR Regulations.

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✚ Comparable Company Multiples (CCM) Method

Under CCM Method, value of shares of a company/business undertaking is arrived at using multiple derived from valuation of comparable companies as manifest through stock exchange valuation of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to the valuation. Relevant multiples need to be chosen carefully and adjusted for difference between the circumstances.

In terms of Segment Reporting provided under the Annual Report for the year ended March 31, 2023 and quarterly results for the 09 months period ended December 31, 2023, following are the Segment Revenue and Segment Profits:

S. No.	Business Segment	Year ended March 31, 2023#		09 months period ended December 31, 2023#	
		Net Sales/Income (INR in Million)	PBIT (INR in Million)	Net Sales/Income (INR in Million)	PBIT (INR in Million)
1	Coal & Ash Handling Business	12,864.11	1,291.40	6,414.14	784.80
2	Solar Power - Generation and Related Activities	115.35	50.50	79.31	35.07
3	Refrigerant Gas- (Refilling) and Sales	644.15	40.63	482.88	(13.18)
4	Sale of Service##	679.92	384.02	509.93	258.04
5	Power Trading	1,875.52	4.23	2,787.90	5.33
6	Electric Vehicle	-	(0.03)	73.40	(32.03)
7	Others	112.45	4.32	57.66	2.94
8	Corporate	-	(97.51)	-	(86.33)
	TOTAL	16,291.50	1,677.56	10,405.21	954.65

Consolidated numbers

We have been informed by the management that the service revenue and profit is primarily related of Lignite extraction business.

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Based on the above break up of business segment, we understand that majority operating revenue and profits is coming from Coal & Ash Handling Business and Lignite extraction business. Further, though the company has good operating revenue in power trading segment, PBIT of this segment is nominal.

We have not found any listed peers in India which can be directly compared with majority of business segments of RIL. Since, major business segments of RIL are not comparable and therefore, in our opinion this method is not suitable in the present case and accordingly we have not considered this method for our valuation exercise.

VII. Basis for arriving at Fair Value:

+ Net Asset Value Method:

As per unaudited consolidated financial results (limited reviewed by the Statutory Auditors) of the Company for quarter and six months period ended September 30, 2023, net assets of RIL comprises of INR 3,525.50 Million. The number of outstanding Equity Shares are 22,107,024 having face value of INR 10 each. Accordingly, value per Equity Share as per NAV Method is **INR 159.47**.

Detailed calculation of valuation using NAV Method is enclosed as Annexure A.

+ Market Price Method:

Under Market Price Method, we have considered pricing methodology prescribed under Regulation 164(1) of the ICDR Regulations.

In terms of Regulation 164(1) of the ICDR Regulations, the price of the equity shares to be allotted pursuant to the preferential issue shall be **not less than higher of the following:**

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- the 90 trading days volume weighted average price (“VWAP”) of the related equity shares quoted on the recognised stock exchange preceding the relevant date; **or**
- the 10 trading days VWAP of the related equity shares quoted on the recognised stock exchange preceding the relevant date.

Thereafter, we have considered the higher of the above two values as value per Equity Share of RIL under this Method. Further, in terms of explanation of Regulation 164 of the ICDR Regulations, ‘stock exchange’ means any of the recognised stock exchange(s) in which the equity shares of the issuer are listed and in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the relevant date. Based on the trading data of NSE and BSE, trading volume with respect to Equity Shares of RIL at NSE is higher than BSE. Accordingly, for the purpose of our valuation exercise, we have considered trading data of NSE for determining the value of Equity Shares of RIL under Market Price Method.

A summary calculation for arriving the value under this method is as follows:

S. No.	Particulars	Nos./Amount based on 90 Trading Days preceding the Relevant Date	Nos./Amount based on 10 Trading Days preceding the Relevant Date
1.	Total Trading Turnover of Equity Shares of RIL (Value in INR Million) [A]	5,269.08	471.24
2.	Total Trading volume of Equity Shares of RIL (in Nos.) [B]	8,498,058	797,465

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3.	VWAP per Equity Share of RIL ($C=A/B*10^6$) (in INR)	620.03	590.92
Value per Equity Share under Market Price Method (Higher of above two values)		620.03	

Detailed calculation of valuation using Market Price Method is enclosed as Annexure B.

✚ Capitalization of Earnings Method

Under this method, we have considered profit of tax (PAT) based on consolidated financials/standalone financials for last three financial years with appropriate weight to arrive at maintainable PAT. To arrive the PAT for FY 2023-24, we have annualized consolidated PAT for 09 months period ended December 31, 2023. Thereafter, we have divided such maintainable PAT with appropriate capitalization rate to arrive the Equity Value of the Company. To arrive the value per Equity Share, we have divided the Equity Value with outstanding Equity Shares of the Company.

Calculation of maintainable PAT:

Particulars	PAT (INR in Million)	Weight
A	B	C
Year ended March 31, 2024 (PAT for 09 months period ended December 31, 2023 has been annualized)#	791.93	3
Year ended March 31, 2023	1,160.61	2
Year ended March 31, 2022##	453.90	1
Maintainable PAT (weighted average value)	858.48	

Consolidated

Standalone since the Company had no subsidiary during this period.

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Capitalization rate: We have considered a capitalization rate of 7.5% to arrive the Equity Value of the Company.

Based on the above, value per Equity Share of RIL as per Capitalization of Earnings Method is as under:

Particulars	In INR/INR in Million except multiples and specifically stated
Maintainable PAT of RIL - INR Million (A)	858.48
Capitalization Rate- in % (B)	7.50%
Equity Value (C=A/B)- INR Million	11,446.46
No of outstanding Equity Shares of the Company as on Valuation Date (In Nos) (Face value of INR 10 each) (D)	22,133,538
Value per Equity Share as per Capitalization of Earnings Method (E=C/D*10 ⁶)- in INR	517.15

#Any discrepancies in above table between the total and the sums of amount listed are due to rounding -off.

Summary of Fair value:

Fair Value Summary		
Valuation Approach/Method	Weight	Price (In INR per share)
A	B	C
NAV Method (Asset Approach)	0%	159.47
DCF Method (Income Approach)	N.A.	N.A.

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Capitalization of Earnings Method (Income Approach)	0%	517.15
Market Price Method (Market Approach)	100%	620.03
Comparable Company Multiples (CCM) Method (Market Approach)	N.A.	N.A.
Value per Equity Share of RIL (in INR) (Face Value of INR 10 each)		620.03
Value per Equity Share of RIL (rounded off upto 1 digit) (in INR) (Face Value of INR 10 each)		620.00

Adjustment on account of Split/Sub-division:

We have been informed by the management that, Board of Directors at their meeting held on January 24, 2024 has accorded its approval to sub-divide/split 01 (One) Equity Share of face value of INR 10 each fully paid up into 05 (Five) Equity Shares of face value of INR 10 each fully paid up, subject to approval of shareholders and other statutory/regulatory approvals. Based on the Scrutinizer Report dated March 01, 2024 provided by the management, Shareholders of the Company via postal ballot has approved the sub-division/split of 01 (One) Equity Share of face value of INR 10 each fully paid up into 05 (Five) Equity Shares of face value of INR 10 each fully paid up. As on date, the corporate action for split/sub-division of Equity Shares of the Company is pending. Accordingly, post -split of Equity Shares from face value of INR 10 each to INR 02 each, fair value per Equity Share will be proportionally adjusted. Following is the summary of fair value of Equity Shares of RIL (having face value of INR 10 each as well as INR 02 each);

Particulars	Amount (in INR)
Value per Equity Share of RIL (Face Value of INR 10 each) (A)	620.00

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Value per Equity Share of RIL (Face Value of INR 02 each i.e post -split/sub-division)- (B=A/5))	124.00
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VIII. Valuation Conclusion:

We have formed an opinion on the fair value of Equity Shares of RIL, based on the information provided by the management & available in the public domain and rationale mentioned in the preceding paragraphs. We are of the opinion that, as on Valuation Date:

- A. Fair Value of one Equity Share (having face value of INR 10 each) of RIL in terms of Regulation 166A of the ICDR Regulations is INR 620.00 (Indian Rupees Six Hundred and Twenty only); and**
- B. Fair Value of one Equity Share (having face value of INR 02 each i.e post -split/sub-division) of RIL in terms of Regulation 166A of the ICDR Regulations is INR 124.00 (Indian Rupees One Hundred and Twenty -Four only).**

IX. Caveats, Limitations and Disclaimers on the valuation of Equity Shares of RIL:

a. Restriction on use of Valuation Report

This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our 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. We do not take any responsibility for the unauthorized use of this report.

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b. Responsibility of the Valuer

We owe responsibility only to the client that has appointed us under the terms of the engagement letter. We 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 we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents.

c. Accuracy of Information

While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

d. Post Valuation Date Events

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.

e. Range of Value Estimate

The valuation of the Company 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 no indisputable single value and the estimate of the value is normally expressed as falling within a likely range. To comply with the client request, we have provided a single value which we consider to be both reasonable and defensible based on the information available, others may place a different value.

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f. Reliance on the representations of the clients, their management and other third parties

We have relied upon the representations of the client, management and other third parties concerning the financial and other relevant data. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the client, their directors, employee or agents.

g. No procedure performed to corroborate information taken from reliable external sources

We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we 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 we 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.

h. Compliance with relevant laws

The report assumes that the Company complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the Company 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 financials provided to us.

i. Multiple factors affecting the Valuation Report

The valuation report is tempered by the exercise of judicious discretion by the 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

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comparable securities, market sentiment, etc. which may not be apparent from the balance sheet but could strongly influence the value.

j. Future services including but not limited to Testimony or attendance in courts/ tribunals/ authorities for the opinion of value in the Valuation Report

We are fully aware that based on the opinion of value expressed in this report, we may be required to give testimony or attend court / judicial proceedings with regard to the subject assets. It is out of scope of the Assignment. However, if the Company seek our evidence in the proceedings, it shall bear the cost/professional fee of attending court / judicial proceedings and our tendering evidence before such authority shall be under the applicable laws.



(RAJEEV KUMAR NAYAK)

Registered Valuer

RV No.: IBBI/RV/02/2022/14553

Place: New Delhi

Detailed valuation workings of RIL as per NAV Method

Refex Industries Limited		
Net Asset Value Method		
Based on unaudited consolidated financial results (limited reviewed by the Statutory Auditors) of the Company for quarter and six months period ended September 30, 2023		
Particulars	Indian Rupees in Million (INR in Mn) except specifically stated	
Assets		
Non-Current Assets		
Property, Plant & Equipment	1,052.00	
Right to Use Assets	642.26	
Intangibles	17.91	
Capital Work in Progress	19.82	
Non Current Investments	736.19	
Deferred tax assets	9.55	
Other Non Financial Assets	29.05	
Total Non Current Assets		2,506.77
Current Assets		
Inventories	59.90	
Trade Receivables	2,632.49	
Cash and Cash Equivalents	133.31	
Other Current Financial Assets	742.09	
Contract Assets	65.32	
Other Current Assets	475.34	
Total Current Assets		4,108.45
Total Assets		6,615.22
Liabilities		
Non-Current Liabilities		

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Borrowings	472.92	
Lease Liabilities	664.13	
Deferred tax liabilities	4.31	
Long term provisions	9.10	
Total Non-Current Liabilities		1,150.46
Current Liabilities		
Borrowings	433.30	
Trade Payables	505.44	
Lease Liabilities	55.32	
Other Financial Liabilities	86.22	
Other Current Liabilities	858.98	
Total Current Liabilities		1,939.26
Total Liabilities		3,089.72
Net Assets Value of the Company		3,525.50
No of outstanding Equity Shares of the Company as on September 30, 2023 (In Nos) (Face value of INR 10 each)		22,107,024
Net Asset Value Per Equity Share (in INR)		159.47

#Any discrepancies in above table between the total and the sums of amount listed are due to rounding - off.

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Detailed valuation workings of RIL as per Market Price Method

i. Based on 90 days trading data preceding the Relevant Date

Date	Trading Volume at NSE (90 Trading days preceding the relevant date) [October 17, 2023 to February 23, 2024]	Trading Value (in INR) at NSE (90 Trading days preceding the relevant date) [October 17, 2023 to February 23, 2024]	
23-Feb-24	66,958	40,871,597	
22-Feb-24	54,541	33,181,194	
21-Feb-24	43,894	26,715,264	
20-Feb-24	43,329	26,464,051	
19-Feb-24	42,486	25,814,250	
16-Feb-24	74,778	46,041,386	
15-Feb-24	103,903	62,313,241	
14-Feb-24	68,047	39,057,236	
13-Feb-24	189,965	106,762,213	
12-Feb-24	109,564	64,021,498	
9-Feb-24	36,617	22,438,898	
8-Feb-24	111,478	73,880,736	
7-Feb-24	45,958	31,277,792	
6-Feb-24	49,936	34,058,975	
5-Feb-24	71,112	48,590,106	
2-Feb-24	47,304	32,351,567	
1-Feb-24	57,654	39,628,382	
31-Jan-24	55,759	38,892,126	
30-Jan-24	49,161	33,919,158	
29-Jan-24	120,859	84,813,529	
25-Jan-24	234,677	170,332,433	
24-Jan-24	135,564	96,612,673	
23-Jan-24	114,510	79,693,726	
20-Jan-24	76,877	52,781,034	
19-Jan-24	59,916	40,474,396	
18-Jan-24	60,800	40,363,116	
17-Jan-24	56,198	37,760,686	
16-Jan-24	79,872	54,297,098	
15-Jan-24	99,801	69,245,586	
12-Jan-24	134,389	90,686,335	

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11-Jan-24	386,139	270,205,258
10-Jan-24	240,283	162,621,993
9-Jan-24	52,891	34,257,501
8-Jan-24	49,830	30,912,563
5-Jan-24	46,599	28,863,668
4-Jan-24	50,763	31,150,389
3-Jan-24	43,186	26,517,634
2-Jan-24	123,296	77,483,353
1-Jan-24	91,422	57,375,936
29-Dec-23	26,022	15,593,953
28-Dec-23	25,927	15,495,158
27-Dec-23	29,659	17,804,221
26-Dec-23	36,674	22,065,340
22-Dec-23	60,883	36,198,486
21-Dec-23	67,056	39,131,504
20-Dec-23	68,814	41,116,616
19-Dec-23	57,095	34,777,438
18-Dec-23	47,764	29,706,345
15-Dec-23	51,598	32,351,412
14-Dec-23	55,758	35,203,985
13-Dec-23	226,613	142,246,963
12-Dec-23	233,554	143,688,805
11-Dec-23	29,228	18,368,337
8-Dec-23	79,990	47,541,185
7-Dec-23	118,944	66,888,392
6-Dec-23	86,257	46,456,613
5-Dec-23	64,262	34,611,459
4-Dec-23	58,193	31,561,738
1-Dec-23	36,629	19,604,032
30-Nov-23	41,712	22,150,474
29-Nov-23	32,609	17,515,638
28-Nov-23	48,322	26,028,792
24-Nov-23	39,863	21,414,701
23-Nov-23	59,762	32,058,449
22-Nov-23	30,825	16,776,369
21-Nov-23	109,824	59,489,008
20-Nov-23	59,750	33,206,049

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17-Nov-23	64,099	36,026,627	
16-Nov-23	59,439	33,089,265	
15-Nov-23	61,677	34,567,143	
13-Nov-23	49,138	27,558,334	
12-Nov-23	44,063	25,075,650	
10-Nov-23	91,592	51,944,249	
9-Nov-23	197,643	109,675,382	
8-Nov-23	92,835	49,187,962	
7-Nov-23	56,033	29,974,926	
6-Nov-23	69,949	37,649,874	
3-Nov-23	168,881	89,799,640	
2-Nov-23	122,290	65,145,440	
1-Nov-23	163,145	88,291,077	
31-Oct-23	152,115	86,093,274	
30-Oct-23	300,133	168,773,407	
27-Oct-23	227,440	135,411,420	
26-Oct-23	268,687	160,340,823	
25-Oct-23	204,722	128,710,312	
23-Oct-23	17,931	11,847,908	
20-Oct-23	165,698	116,858,204	
19-Oct-23	175,314	124,220,629	
18-Oct-23	217,598	152,760,942	
17-Oct-23	63,733	44,294,071	
Total Trading Turnover of Equity Shares of RIL during 90 Trading Days preceding Relevant Date (Value in INR) [A]			5,269,076,592
Total Trading volume of Equity Shares of RIL during 90 Trading Days preceding Relevant Date (in Nos.) [B]			8,498,058
Volume Weighted Average Price (VWAP) per Equity Share of RIL (C=A/B) (in INR)			620.03

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ii. Based on 10 days trading data preceding the Relevant Date

Date	Trading Volume at NSE (90 Trading days preceding the relevant date) [February 12, 2024 to February 23, 2024]	Trading Value (in INR) at NSE (90 Trading days preceding the relevant date) [February 12, 2024 to February 23, 2024]	
23-Feb-24	66,958	40,871,597	
22-Feb-24	54,541	33,181,194	
21-Feb-24	43,894	26,715,264	
20-Feb-24	43,329	26,464,051	
19-Feb-24	42,486	25,814,250	
16-Feb-24	74,778	46,041,386	
15-Feb-24	103,903	62,313,241	
14-Feb-24	68,047	39,057,236	
13-Feb-24	189,965	106,762,213	
12-Feb-24	109,564	64,021,498	
Total Trading Turnover of Equity Shares of RIL during 10 Trading Days preceding Relevant Date (Value in INR) [A]			471,241,931
Total Trading volume of Equity Shares of RIL during 10 Trading Days preceding Relevant Date (in Nos.) [B]			797,465
Volume Weighted Average Price (VWAP) per Equity Share of RIL (C=A/B) (in INR)			590.92

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