

Date: March 27, 2020

To,

The Board of Directors,

Sahajanand Medical Technologies Private Limited

**Sahajanand Estate, Wakharia Wadi, Near Dabholi Char Rasta, Nani Ved,
Ved Road, Surat, Gujarat, India - 395004**

Dear Sir(s) / Madam(s),

Subject: Valuation Report for the valuation of Equity shares of Vascular Concepts Limited

Vascular Concepts Limited (hereinafter referred to as 'VCL', 'the Target Company'), is a Company bearing CIN number U33119DL2005PLC141596, incorporated on May 25, 1992 and is engaged in the business of manufacturing medical devices for the treatment of arterial diseases.

Sahajanand Medical Technologies Private Limited (hereinafter referred to as 'SMTPL', 'the Company', 'you', 'your') is a Company bearing CIN U33119GJ2001PTC040121, incorporated on October 18, 2001 and is engaged in developing and manufacturing minimally invasive coronary stent systems.

SMTPL proposes to acquire the equity shareholding of VCL from the existing non-resident shareholders of VCL. Accordingly, as required under 'Master Direction – Direct Investment by Residents in Joint Venture (JV) / Wholly Owned Subsidiary (WOS) Abroad' titled "RBI/FED/2015-16/10 FED Master Direction No. 15/2015-16" dated January 1, 2016 (Updated on January 04, 2018) read with Notification No. FEMA.120/RB-2004 dated July 7, 2004, (GSR 757 (E) dated November 19, 2004), viz. Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004, as updated from time to time ("the FEMA Regulation"), SMTPL intends to carry out a valuation of the equity shares of VCL.

SMTPL has through an engagement letter dated March 11, 2020 (hereinafter referred to as 'Engagement Letter') appointed Vivro Financial Services Private Limited, a Category I Merchant Banker registered with SEBI having a Registration Number INM000010122, (herein referred as "Vivro", 'we', 'us') to arrive at the Fair Value of the Equity shares of VCL as on February 29, 2020.

1. SCOPE AND PURPOSE OF THE REPORT

- 1.1 As mentioned above, SMTPL proposes to acquire the Equity Shares of VCL from the non-resident shareholders of VCL.



- 1.2 The scope of our services is to carry out a valuation of the equity shares of VCL using internationally accepted valuation methods as required under the FEMA Regulations as mentioned above and issue a valuation report to be placed before the Board of Directors of SMTPL.
- 1.3 This report is our deliverable to this engagement. This report shall be used for the consideration of the Board of Directors of SMTPL as well as to represent to RBI, Authorized Dealers and such other persons as required under the FEMA Regulations.
- 1.4 This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

2. SOURCES OF INFORMATION

Vivro has relied on the following information made available by SMTPL for the purpose of this report:

- 2.1. Brief History, Present Activities, Business Profile and Shareholding Pattern of VCL;
- 2.2. Audited financial statements of VCL as on March 31, 2019, March 31, 2018 and March 31, 2017;
- 2.3. Provisional Financial Statements as on February 29, 2020;
- 2.4. Projections of the future profitability, Cash Flow and Balance Sheet of VCL as certified by management of SMTPL from April 1, 2020 to March 31, 2025;
- 2.5. Written Representations received from the management of SMTPL dated March 25, 2020;
- 2.6. Such other information, explanations and representations as required and which have been provided by the management of SMTPL, which were considered relevant for purpose of carrying out this valuation analysis and preparing this Report.

3. LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

- 3.1 This Valuation Report ('Report') is prepared by Vivro Financial Services Private Limited on the basis of information, documents, papers, representation and explanations given by the management, officers and staff of SMTPL to Vivro.



- 3.2 This Report is presented to facilitate Board of Directors of SMTPL to ascertain the fair value of the Equity shares of the Target Company for the transfer of Equity Shares as mentioned hereinabove.
- 3.3 In preparing this Report, Vivro has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data provided by SMTPL. Vivro has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness, accuracy or truthfulness of such information. As informed by the management of SMTPL all transactions with related parties are on arm's length basis and for the projected period these are expected to continue as the same.
- 3.4 Our work does not constitute an audit or certification or due diligence of the past financials of VCL and we have relied upon the information provided to us by SMTPL as regards such working results.
- 3.5 Forward looking statements and financial projections certified and provided by the management of SMTPL have been considered in this valuation process. We have not carried out any independent due diligence or verification of the projected financial performance provided by SMTPL nor corroborated the information provided by SMTPL from any third party source or any industry information for the purpose of arriving at valuation of Equity Shares of VCL. No assurance regarding the accuracy, reasonableness, or completeness of any such statements and projections is made by us herein. Actual performance and results may invariably differ from expectations and these differences may be material.
- 3.6 We have not conducted any independent valuation or appraisal of any of the assets or liabilities of VCL. As implied by the financial statements, VCL is assumed to have those legal rights to the assets and be subject to those claims represented by the liabilities presented in its financial statements. No investigation was undertaken to confirm these legal rights or claims. As informed by the management of SMTPL, there are no contingents' liabilities which are expected to devolve or contingent assets with VCL and there are no surplus / non-operating assets in VCL as of the date of this Report beyond those captured in this Report.
- 3.7 Publicly available information deemed relevant for the purpose of the analysis contained in the Valuation Report may have been used. No industry report has been commissioned by the management for this valuation nor has any industry report been made available to us. We have relied solely on the industry information made available to us by the management of SMTPL.



- 3.8 Vivro shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of or reliance on the information set out herein in this report.
- 3.9 Vivro has not provided any accounting, tax or legal advice to SMTPL or any of its affiliates, neither is it required to do so in terms of its Engagement Letter.
- 3.10 Vivro has neither verified nor taken cognizance of the legal compliance and process for the structure and flow of the transaction, neither is it required to do so in terms of its Engagement Letter.
- 3.11 Vivro has not examined the tax implications of transferring the shares of VCL, neither is it required to do so in terms of its Engagement Letter.
- 3.12 Vivro does not hold any specific interest in SMTPL, VCL or any of its affiliates nor does Vivro have any conflict of interest with SMTPL, VCL or any of its affiliates.
- 3.13 Vivro has not revalued any asset, nor physically verified any asset of VCL, neither is it required to do so in terms of its Engagement Letter.
- 3.14 Vivro has not undertaken any separate financial due diligence for the transaction, neither is it required to do so in terms of its Engagement Letter.
- 3.15 This Report does not constitute a fairness opinion, solvency opinion, or an investment recommendation and should not be construed as such either for making or divesting investment.
- 3.16 This Report is furnished on strictly confidential basis. Neither this Valuation Report nor the information contained herein may be reproduced or passed to any person or used for any purpose other than stated above.
- 3.17 The fee for this engagement is not contingent upon the results reported and valuation arrived at by Vivro.
- 3.18 This Report, its contents and the results herein (i) are specific to the purpose of valuation agreed as per the terms of our engagement; (ii) are specific to the date of this report and (iii) are necessarily based on the projections of future profitability as certified and represented by the management of SMTPL, prevailing financial, economic and other conditions in general and the written and oral information made available to us by the management of SMTPL as on date of this Report. Events occurring after this date may affect



this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

4. BACKGROUND OF VCL

- 4.1 VCL is a Company bearing CIN number U33119DL2005PLC141596, incorporated on May 25, 1992 and is engaged in the business of manufacturing cutting edge medical devices for the treatment of arterial diseases. A brief product portfolio pertaining to VCL is provided in Annexure A to this report. The Equity Shareholding pattern of VCL as on February 28, 2020 is as follows:

Name of Shareholder	Shares Held	% Holding
Vascular Concepts Holdings Limited (In Voluntary Liquidation)	1,37,404	87.05%
Vascular Concepts Limited (UK)	20,400	12.92%
Others	50	0.03%
Total	1,57,854	100.00%

- 4.2 A brief summary of the audited financial profile of VCL for the period ended on February 29, 2020 and March 31, 2019 is as follows:

Balance Sheet of VCL for the period ended on February 29, 2020 and March 31, 2019 is as follows:

(Rs. In Million)		
Particulars	February 29, 2020 (Unaudited Limited Reviewed)	March 31, 2019 (Audited)
A. ASSETS		
1) Non-Current Assets		
(i) Property, plant and equipment	72.46	81.21
(ii) Intangible assets	0.11	0.17



Particulars	February 29, 2020 (Unaudited Limited Reviewed)	March 31, 2019 (Audited)
(iii) Deferred tax assets	16.56	16.56
(iv) Long term loans and advances	206.88	204.94
(v) Other non-current assets	1.60	1.00
Total Non-Current Assets	297.60	303.88
2) Current Assets		
(i) Inventories	289.31	295.94
(ii) Financial assets		
- Trade receivables	436.09	425.88
- Cash and cash equivalents	98.88	74.09
(iii) Other current assets	9.48	12.19
Total Current Assets	833.76	808.10
Total Assets	1,131.36	1,111.98
B. <u>EQUITIES AND LIABILITIES</u>		
1) Equity		
(i) Equity share capital	15.79	15.79
(ii) Other equity	660.03	610.50
Total Equity	675.81	626.28
2) Non-Current liabilities		
(i) Financial liabilities	0.00	0.29
(ii) Other non-current liabilities	46.27	44.94
Total non-current liabilities	46.27	45.23
3) Current liabilities		



Particulars	February 29, 2020 (Unaudited Limited Reviewed)	March 31, 2019 (Audited)
(i) Trade payables	346.41	361.66
(ii) Other current liabilities	37.87	41.24
(iii) Provisions	25.00	37.57
Total current liabilities	409.28	440.47
Total of Equity and liabilities	1,131.36	1,111.98

Profit and Loss statement of VCL for the period ended on February 29, 2020 and March 31, 2019 is as follows:

(Rs. In Million)		
Particulars	February 29, 2020 (Unaudited Limited Reviewed)	March 31, 2019 (Audited)
1) Total Income		
(i) Revenue from operations	991.72	1,036.90
(ii) Other Income	21.84	17.03
2) Total Expenses		
(i) Cost of materials consumed	278.04	383.44
(ii) Purchase of stock in trade	92.83	96.66
(iii) Changes in inventories	(10.35)	8.86
(iv) Employee benefit expenses	133.81	138.23
(v) Other expenses	432.01	377.70
3) Earnings before interest, tax, depreciation, amortisation (EBITDA)	87.22	49.04
Finance Cost	0.65	3.76
Depreciation and amortisation expense	11.02	12.22



Particulars	February 29, 2020 (Unaudited Limited Reviewed)	March 31, 2019 (Audited)
4) Profit before Tax and exceptional items	75.55	33.06
5) Exceptional Items	(0.01)	1.86
6) Tax expense		
Current tax	26.03	35.63
Deferred tax	0.00	(0.44)
7) Profit for the period/year	49.53	(3.98)

5. METHODS OF VALUATION

- 5.1 In order to arrive at the value of the enterprise, there are three traditional approaches which can be considered:

5.1.1 Market approach:

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

5.1.2 Income approach:

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

5.1.3 Asset approach:

The Asset approach seeks to determine the business value based on the value of its assets.



5.2 In arriving at the value of the equity shares of the Target Company, we have considered the Discounted Cash Flows Method under the Income Approach, as this method takes into consideration the growth potential of the business and the future prospects of the Target Company. We have not used the Comparable Companies Method (CCM) under the Market Approach, as there are no listed peer group companies which we can benchmark to determine suitable comparables. We have not used Net Asset Value (NAV) method as it takes into account the present book value of the assets and liabilities but ignores the future growth potential of the Target Company. The detailed valuation workings are given in Annexure B and Annexure C.

A. DISCOUNTED CASH FLOWS (DCF) METHOD

- a. Under this method, the value of equity shares of the Target Company is arrived at by analyzing the historical trends and preparing the future financial projections. This method takes into account the future potential earnings of the Target Company and profitability of the Target Company. It discounts the future earning potential of the Target Company and arrives at the possible fair value of the Target Company on the present day.
- b. The Discounted Free Cash Flow method is one of the most rigorous approaches to valuation of business. In this method, the projected free cash flows from business operations are discounted at the weighted average cost of capital and sum of such discounted free cash flows is the value of the business.
- c. The value of the Target Company is obtained by discounting expected cash flows to the Target Company, i.e., the residual cash flows after meeting all operating expenses, reinvestment needs and taxes, but prior to any payments to either debt or equity holders, at the weighted average cost of capital, which is the cost of the different components of financing used by the Target Company, weighted by their market value proportions.

$$\text{Value of Firm} = \sum_{t=1}^{t=n} \frac{CF \text{ to Firm}_t}{(1 + WACC)^t}$$

Where,

CF to Firm = Expected Cash flow to Firm in period *t*

WACC = Weighted Average Cost of Capital

- d. The discount rate reflects the time value of money and the risk associated with the projected future cash flows. The Weighted Average Cost of Capital (WACC) is the discount factor used to arrive at the value of the Target Company, which refers to the total capital invested (equity and debt) and is used and adjusted for risk premiums or discounts, depending on the assets specific risk compared to the risk of the overall enterprise. The formula for calculating WACC is as under:



$$WACC = w_e \times k_e + w_d \times k_d \times (1 - t)$$

Where

w_e = Percentage of Financing from Equity

k_e = Cost of Equity

w_d = Percentage of Financing from Debt

k_d = Cost of Debt

t = Corporate Tax Rate

- e. In order to estimate the cost of equity, we have applied the Capital Asset Pricing Model (CAPM). According to CAPM, the cost of equity consists of a risk free rate and a risk premium. The risk premium is calculated by multiplying the market risk premium by the beta factor, a Company specific measure of the systematic risk of an equity investment in a Company. The formula for cost of equity is as under:

$$k_e = Rf + \beta (Rm - Rf) + SCRP + CSRP$$

Where

Rf = Risk free rate of return (Generally taken as 10- year Government Bond Yield)

β = Beta Value (Sensitivity of stock returns to market returns)

k_e = Cost of Equity

Rm = Market Rate of Return (Generally taken as Long Term average return of Stock Market)

$SCRP$ = Small Company Risk Premium

$CSRP$ = Company Specific Risk Premium

- f. Discounting free cash flow to the Target Company at the cost of capital will yield the value of operating assets of the Target Company. To arrive at the Target Company value, the fair value of non-operating assets will also have to be added. Non-operating assets include cash, marketable securities and holdings in other companies.
- g. Terminal value is the present value at a future point in time of all future cash flows when we expect stable growth rate forever. To arrive at the terminal value, the Perpetuity Growth Model is used which accounts for the value of free cash flows that continue into perpetuity in the future, growing at an assumed constant rate. Here, the projected free cash flow in the first year beyond the projection horizon (N+1) is used. This value is divided by the discount rate minus the assumed perpetuity growth rate.

$$T_0 = \frac{FCF_{n+1}}{(WACC - g)}$$

Where,

T_0 = the value of future cash flows at a future point in time which is immediately prior to n+1, or at the end of period N, which is the final year in the projection period,



WACC = Weighted Average Cost of Capital; and
 g = perpetual growth rate.

This equation is a perpetuity, which uses a geometric series to determine the value of a series of growing future cash flows.

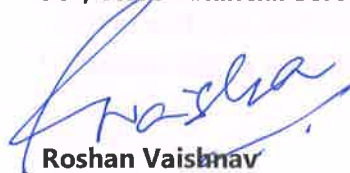
6. BASIS OF THE FAIR VALUE OF EQUITY SHARES

- 6.1 The fair value of the equity shares of VCL has been arrived at based on the methodology explained hereinabove, various qualitative factors relevant to it, business dynamics and its growth potential and taking into consideration the information, key underlying assumptions and limitations as articulated hereinabove.
- 6.2 The fair value of the equity shares have been calculated based on the method described hereinabove.
- 6.3 In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the Valuer and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities, market sentiments and many other prevalent factors, which are not evident from the face of the balance sheets but which will strongly influence the worth of equity shares. This concept is also recognized in judicial decisions.

7. CONCLUSION

On the basis of the valuation methodology and basis for determining the fair value of the equity shares as discussed above, we estimate that as on February 29, 2020, the fair value of the equity shares of VCL is ₹ 6,395 per share.

For, Vivro Financial Services Private Limited,


Roshan Vaishnav

Director

Date: March 27, 2020

Place: Ahmedabad



Annexure A

Product Portfolio of VCL

Coronary Stents	
Product	Description
Pronova SS	Stainless Steel Sirolimus Eluting Stent System
Pronova XR	Sirolimus ' Eluting Stent System ' - Cobalt Chromium with Biodegradable Polymer
ProNova	Cobalt Chromium Sirolimus Eluting Stent System
Prolink SV	Balloon Expandable Coronary Small Vessel Stent System
ProLink LP	Stainless Steel Coronary Stent System
ProZeta	Cobalt Chromium Coronary Stent System
ProZeta PS	Passive Coated Cobalt Chromium Coronary Stent System
ProPass	Platinum Activated Stent System
Prograft	Balloon Expandable Covered Stent
Eucalimus	Sirolimus Eluting Cobalt Chromium Coronary Stent System with biodegradable polymer

Peripheral Stents	
Product	Description
Resistant	Self-Expanding Stent System
Prostar Plus	Balloon Expandable Peripheral Stent System
ProStar Plus XXL	Balloon Expandable Peripheral Stent System

Structural Heart Devices	
Product	Description
Cocoon	Atrial Septal Device (ASD) Occluder
Cocoon	Arteriosis PDA Occluder
Accura	PTMC Balloon Catheter

Accessories	
Product	Description
Speed	Fast Exchange Semi-compliant Angioplasty
Speed+	Fast Exchange Semi-compliant Angioplasty
ClotVac	Thrombus Aspiration Catheter



Annexure B

Audited and Projected Profit and Loss statement of VCL

(INR in million)

Particulars	FY17	FY18	FY19	FY20E	FY21E	FY22E	FY23E	FY24E	FY25E
Revenue from operations	756	1,068	1,028	1,247	1,553	1,874	2,308	2,866	3,542
Cocoon	84	79	86	122	149	182	221	265	318
Hydra	-	-	-	-	50	67	135	257	407
DES+BMS	594	896	833	999	1,203	1,450	1,748	2,108	2,542
Other	79	93	108	126	151	175	204	236	274
Material Cost	(369)	(367)	(387)	(445)	(560)	(650)	(767)	(915)	(1,154)
Manufacturing expenses	(18)	(15)	(18)	(25)	(31)	(37)	(46)	(57)	(71)
Salary - Factory	(11)	(12)	(13)	(12)	(6)	(7)	(8)	(9)	(10)
COGS	(398)	(394)	(418)	(482)	(596)	(694)	(821)	(981)	(1,235)
GP	358	674	610	765	957	1,180	1,487	1,885	2,307
Sales & Marketing Salary	(33)	(31)	(31)	(30)	(24)	(44)	(50)	(58)	(67)
Admin Salary	(92)	(99)	(97)	(80)	(75)	(54)	(62)	(71)	(79)
Admin expenses	(80)	(84)	(77)	(92)	(115)	(139)	(171)	(212)	(262)
S&D expenses	(17)	(12)	(10)	(26)	(73)	(88)	(108)	(135)	(166)
Clinical Trials	-	-	-	-	-	(56)	(69)	(86)	(106)
Regulatory Affairs	-	-	-	-	-	(5)	(5)	(5)	(5)
Marketing support	(140)	(392)	(272)	(324)	(389)	(470)	(574)	(705)	(864)
R&D Cost									
EBITDA	(3)	57	123	212	281	324	447	613	758
Other income	15	5	16	-	-	-	-	-	-
Finance costs	(5)	(20)	(4)						
Forex Gain / (Loss)									
Depreciation	(10)	(11)	(12)	(12)	(10)	(10)	(10)	(10)	(10)
PBT before exceptional items	(4)	31	123	200	270	314	437	603	748
Exceptional item - Loss on sale of fixed asset	(0)	0	(2)						
PBT	(4)	31	121	200	270	314	437	603	748
Provision for taxation	2	(9)	(39)	(69)	(93)	(108)	(151)	(208)	(258)
PAT	(1)	22	82	131	177	206	286	395	490



Audited and Projected Balance Sheet of VCL

(INR in million)

Particulars	FY17	FY18	FY19	FY20E	FY21E	FY22E	FY23E	FY24E	FY25E
Fixed assets	58	80	81	69	59	58	58	58	58
Long-term loans and advances	75	154	205	205	205	205	205	205	205
Other non-current assets	1	1	0	0	0	0	0	0	0
Deferred tax assets (net)	15	16	16	16	16	16	16	16	16
Non-Current Assets	149	251	303	291	280	280	280	279	279
Inventories	253	226	313	274	302	351	388	430	504
Trade receivables	331	424	426	512	634	765	937	1,157	1,422
Short-term loans and advances	4	12	12	12	12	12	12	12	12
Other current assets	-	-	-	-	-	-	-	-	-
Cash and bank balances	52	94	74	192	333	466	655	926	1,277
Current Assets	641	756	825	991	1,282	1,594	1,993	2,525	3,216
Total Assets	790	1,007	1,128	1,282	1,562	1,874	2,273	2,805	3,495
Other non-current liabilities	-	-	-	-	-	-	-	-	-
Long term provisions	(43)	(66)	(50)	(50)	(50)	(50)	(50)	(50)	(50)
Long term borrowings	(2)	(1)	(0)	-	-	-	-	-	-
Non-Current Liabilities	(45)	(67)	(50)	(50)	(50)	(50)	(50)	(50)	(50)
Trade payables	(183)	(296)	(374)	(397)	(500)	(606)	(719)	(856)	(1,056)
Other current liabilities	(36)	(64)	(36)	(36)	(36)	(36)	(36)	(36)	(36)
Short term provisions	(4)	(14)	(41)	(41)	(41)	(41)	(41)	(41)	(41)
Elimination due to timing difference	-	-	-	-	-	-	-	-	-
Short term borrowings	-	(22)	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-	-
Current Liabilities	(222)	(396)	(451)	(474)	(577)	(684)	(796)	(934)	(1,133)
Share capital	16	16	16	16	16	16	16	16	17
Reserves and surplus	507	529	611	742	919	1,125	1,411	1,806	2,295
Net worth	523	545	627	758	935	1,141	1,427	1,821	2,312



Annexure C

Valuation Summary

Summary of Discounted Cashflow Working (DCF) working:

DCF Working	Value (INR in Million)
PV of Explicit Cash Flows	480.34
PV of Terminal Value	430.53
Enterprise Value	910.87
Less: Total Debt	-
Add: Cash & Bank Balance	98.88
Equity Value	1,009.75
Equity Shares	0.16
Equity Value Per Share (INR)	6,395.00

Summary of Terminal Value Calculation

Terminal Value	Value
UFCF of last explicit year	414.29
WACC	28.34%
Growth Rate	1.00%
Terminal Value	1,530.51
Discount Factor	0.28
PV of Terminal Value	430.53

Summary of Valuers Assumption



Parameter	Values	Description
Market return (Rm)	9.47%	Average Market return of NIFTY 50 companies in last 10 years
Risk free rate of return (Rf)	7.74%	10 year yield of Government Bond
Beta (B)	1.50	Risk factor
Cost of Equity (Ke) = $R_f + B(R_m - R_f)$	28.34%	Cost of Equity
Cost of Debt	0.00%	Post tax Cost of borrowing money through Debt
Weight of equity (We)	100.00%	Weight of equity in total capital structure
Weight of debt (Wd)	0.00%	Weight of debt in total capital structure
Weighted Average Cost of Capital (WACC) – $(w_e * k_e) + (w_d * k_d)$	28.34%	Discounting factor

Valuation Workings

Particulars	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Terminal Year
Profit After Tax	131.06	176.98	205.61	286.09	394.81	489.66	494.55
Add: Deferred Tax	-	-	-	-	-	-	-
Add: Finance Cost	-	-	-	-	-	-	-
Add: Depreciation	12.21	10.37	10.32	10.27	10.23	10.20	10.60
Cash Profit After Taxes	143.27	187.35	215.93	296.36	405.04	499.85	505.15
Less: Incremental Capital Expenditure	-	-	10.00	10.00	10.00	10.00	6.67
Less: Incremental Working Capital Investment	24.86	46.73	72.07	97.53	123.93	140.03	84.19
Less: Incremental Non-Current Assets/Liabilities	-	-	-	-	-	-	-
Unlevered Free Cash Flows	118.41	140.62	133.85	188.83	271.11	349.82	414.29
Adjusted for the discounted period	9.87	140.62	133.85	188.83	271.11	349.82	414.29
Discounting Period (Months)	1.00	13.00	25.00	37.00	49.00	61.00	
Discounting Period (Years)	0.08	1.08	2.08	3.08	4.08	5.08	
Discount factor	0.98	0.76	0.59	0.46	0.36	0.28	
Net Present Value	9.66	107.32	79.59	87.49	97.88	98.40	



Capital Expenditure	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Net Block at the end of the period	69.16	58.79	58.47	58.20	57.97	57.78
Add: Depreciation during the period	12.21	10.37	10.32	10.27	10.23	10.20
Less: Net Block at the beginning of the period	81.37	69.16	58.79	58.47	58.20	57.97
Capital Expenditure	-	-	10.00	10.00	10.00	10.00
Working Capital	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Current Assets	991.29	1,281.70	1,594.13	1,993.02	2,525.41	3,215.80
Less: Cash and Bank Balances	192.00	332.62	466.48	655.31	926.42	1,277.24
Operating Current Assets	799.29	949.08	1,127.65	1,337.71	1,598.99	1,938.56
Current Liabilities	474.19	577.25	683.76	796.28	933.63	1,133.16
Less: Short Term Debts	-	-	-	-	-	-
Less: Current Maturities	-	-	-	-	-	-
Operating Current Liabilities	474.19	577.25	683.76	796.28	933.63	1,133.16
Working Capital Requirement	325.10	371.82	443.90	541.43	665.36	805.39
Incremental Working Capital Requirement	24.86	46.73	72.07	97.53	123.93	140.03
Non-Current Assets	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Other Relevant Non-Current Assets	221.39	221.39	221.39	221.39	221.39	221.39
Other Relevant Non-Current Liabilities	49.68	49.68	49.68	49.68	49.68	49.68
Net Non-Current Assets/Liabilities	171.70	171.70	171.70	171.70	171.70	171.70
Incremental Non-Current Assets/Liabilities	-	-	-	-	-	-

Notes:

1. FCFF = Free Cash Flow to Firm
2. PV = Present Value
3. UFCF = Unlevered Free Cash Flow
4. WACC = Weighted Average Cost of Capital

