

**ADDENDUM TO TECHNO ECONOMIC VIABILITY
STUDY OF PROPOSED FACILITY FOR ELECTRONICS
MANUFACTURING SERVICES BY RANEAL
ADVANCED SYSTEMS PRIVATE LIMITED**

Valuation
Investment Banking
Restructuring
Transaction Services
Transaction Tax
Advisory Services

Report Reference No.: RVA2122BTFAREP057/AR/1

Date: September 20, 2022

DCX Systems Limited

Aerospace SEZ Sector, Plot Nos 29,30 and 107,
Hitech, Defence and Aerospace Park,
Devanahalli Taluk, Bengaluru Rural,
Karnataka – 562 110

Kind Attention: **Mr. Sankara Krishnan, Director**

Dear Sir,

This has reference to the Techno Economic Viability report dated March 23, 2022, bearing reference no. RVA2122BTFAREP057 (“Report”) carried out for proposed Electronics Manufacturing Services (PCB Assembly) facility (the “Project”) for M/s RaNeal Advanced Systems Private Limited (“Company”/ “RASPL”) at SEZ Aerospace Park, Devanahalli, Bengaluru addressed to DCX Systems Limited (“Client”).

We understand from the management of the Client (the “Management”) that there has been a change in the overall cost of the Project and its implementation schedule due to fluctuation in foreign currency, increase in prices of few equipment’s/machineries and other allied matters. We have been further informed by the Management that they intend to submit the updated documents including the updated TEV report to the relevant authorities in connection with its proposed listing.

In this regard, the Management has approached RBSA Valuation Advisors LLP (“RBSA”) to provide an addendum report (“Addendum”) to reflect the updated project cost, incorporating revised project implementation schedule.

This Addendum shall be in addition to and should be considered a part of our Report dated March 23, 2022. All other facts and figures except the change as provided by this Addendum shall continue to be in full force and effect. This Addendum along with our report dated March 23, 2022, shall constitute entire Report for the purpose of TEV study.



Revised Project Cost

As per data provided by Client the revised project cost is as follows;

(In INR Mn)

Particulars	Estimated Cost	Revised Estimated Cost	Difference	Reason for difference
Land (1 acre)	30.00	30.00	0.00	• No Change
Building & Infrastructure	124.27	125.10	0.83	• Due to increase in price from manufacturer for few of the equipment's/ machineries such as Centralized air conditioning system, DG set, air compressor, etc.
Machineries & Equipment's	283.27	280.10	-3.17	<ul style="list-style-type: none"> • Due to fluctuation in foreign exchange rate for imported equipment. • Increase in basic price for Solder Paste Mixer and Component Counter. • Addition of freight and insurance cost for Solder Paste Inspection System (SPI), Loader Unloader and conveyor Package, Flying Probe Tester and JTAG - Boundary Scan diagnostic tool.
IT Infrastructure	12.29	13.63	1.34	• Due to increase in price from manufacturer for few of the equipment's/ machineries such as server, firewall, CCTV system, etc.
Total	449.83	448.83	-1.00	

Note: Project cost is excluding pre-operatives and contingency.



Revised Construction Cost

As per data provided by Client, details of revised Construction Cost of the Project is mentioned below.

(In INR Mn)

Sr. No	Description	Supplier / Make	Construction Cost
1	Building Structural Design & Consultancy	STUDIO3C	1.58
2	Consultancy Services for PHE, FPS, ELECTRICAL & HVAC Works	BIGTREE DESIGN TEAM	0.80
3	Construction of Industrial Building - Civil finishes with PEB structure	Planotech Consultant & Contractors	89.22
4	External & Internal Electrical works - HT Panel, HT Cables & Termination, LT Panel, Distribution Panel, Earthing, External & Internal wiring	Planotech Consultant & Contractors	12.00
5	Supply, Installation, Testing and Commissioning of PHE & FIRE Alarm systems	Planotech Consultant & Contractors	3.36
6	Centralized Air Conditioning System *	Premium Cooling	4.95
7	LED Light fixtures and Ceiling Fan *	HAVELLS	1.01
8	10 Passenger Elevator with 3 stops without machine room *	KONE Elevator India	1.27
9	Electrical Distribution Transformer oil Cooled 630KVA, 11KVA/433V	Vijay Power Control Systems	1.50
10	Supply of Silent Diesel Generator - 304kW/380kVA & 144KW/180kVA *	CUMMINS	3.63
11	Diesel Generator Installation & Commissioning with Exhaust System, Cabling & Earthing	Active Power Technologies	2.24
12	OILFREE Reciprocating Air Compressor & Dessicant type Heatless Air Dryer *	ATLAS COPCO	1.22
13	Conductive Safe Tiles - Size: 600 X 600 X 2 mm Surface Resistance: $\leq 10^6$ Ohms *	STATIC SYSTEMS	2.32
			125.10

* - Denotes items where the cost has undergone change



Revised IT Infrastructure Cost

As per data provided by Client, details of revised IT Infrastructure Cost of the Project is mentioned below.

(In INR Mn)

Sr. No	Item	Make	Revised Estimated cost
1	Server *	Dell	2.00
2	22U Server Rack with full accessories	Rittal	0.03
3	Laptops *	Dell	2.22
4	Desktop Computer	Dell	1.38
5	Printer-copier-Scanner *	Xerox	0.37
6	Firewall - SITC of Sophos XGS 2100 with 3yr Xstream Subscription *	Sophos	0.45
7	EPABX & TELEPHONES - SITC of NEC SV9100 – 16 Dig Ext, 80 Analog Ext, 1-PRI	Nec	0.20
8	10 Nos NEC Digital phones & 50 Nos Analog Beutel phones	Nec/ Beutel	0.15
9	Fire Alarm - SITC of Ravel Addressable FAS, 100 Detectors		0.65
10	Networking - SITC of Passive & Active Networking, 200 Nodes		1.40
11	PA SYSTEM - SITC of Public Address System, 50 Nos Ceiling Spk, Mic etc		0.25
12	SECURITY & SURVEILLANCE - SITC of Hikvision IP CCTV System, 50 Cameras *	Hikvision	1.00
13	SITC of Spectra Access Control & Attendance System	Spectra	0.35
14	SAP - Business One *	SAP	3.18
	TOTAL		13.63

* - Denotes items where the cost has undergone change



Revised Plant & Machinery Cost

As per data provided by Client, details of revised Plant & Machinery Cost of the Project is mentioned below.

(In INR Mn)

Sr. No.	Machine name	Make	Model	Quantity (Nos.)	Revised Estimated cost
1	Pick and Place Machine *	Fuji Corporation	AIMEXIIC – 2R	2 set	79.91
2	Fully Automatic Screen Printer *	ASM Assembly Systems Singapore Pte. Ltd.	DEK Neo Horizon 03ix	2	23.62
3	Hot Air Reflow oven *	Heller Industries, Inc.	1936MK5 N2	2	14.46
4	Solder Paste Inspection System (SPI) *	Koh Young Technology	KY8080-L	2	12.16
5	Automated Optical Inspection System (AOI) *	Mirtec Co., Ltd.	MV-6E OMNI	2	20.77
6	Loader Unloader and conveyor Package *	YJ Link Co., Ltd.		2 set	12.13
7	X-Ray Inspection System *	Nordson DAGE	QUADRA 3	1	15.74
8	Selective Soldering System *	M/s. Pillarhouse International Ltd.	JADE MK II	1	4.44
9	PCBA Cleaning - Vapour Degreaser *	CC Hydrosonics Ltd.	SOLVAC T2 500	1	7.49
10	Ionic contamination tester *	Aqueous Technologies	Zero-Ion G3-26	1	2.40
11	Wave Soldering Machine	EMST Marketing Pvt. Ltd.	Stallion fc-plc-jw	1	1.26
12	BGA Rework System *	PACE Worldwide USA	IR4100	1	3.99
13	Flying Probe Tester *	SPEA	4020 S2 M	1	17.62
14	In-Circuit Tester *	Teradyne	TestStation LH/LHS	1	24.75
15	JTAG - Boundry Scan diagnostic tool	JTAG Technologies	JT5705/USB	1	1.74
16	Stencil cleaning Machine *	Aqueous Technologies Corporation	SW-ZDO	1	3.58
17	Solder Paste Mixer *	Genitec Technology Co., Ltd.	GAM60	1	0.22
18	Bare PCB inline clean *	YJ Link Co., Ltd.	ADRC-77X	2	2.56
19	Profiler *	KIC Thermal	SPS SMART PROFILER	1	1.20
20	Depaneling / Routing Machine *	Genitec Technology Co., Ltd.	GAM330L	1	3.60
21	Dry cabinet *	Ace Dragon Corp	F1-1200-6	4	1.76
22	Stereo Microscope *	Motic Asia	SMZ 171	14	2.24
23	Component Counter *	Genitec Technology Co., Ltd.	GAM12n	1	0.28
24	Soldering Stations *	PACE Worldwide USA	ADS200	40	1.44
25	Fume Extraction System *	PACE Worldwide USA	ARM-EVAC 250	20	3.99

* Denotes items where the cost has undergone change



(In INR Mn)

Sr. No.	Machine name	Make	Model	Quantity (Nos.)	Revised Estimated cost
26	Hot Air Rework System *	PACE Worldwide USA	ST-325	1	0.32
27	ESD Tables *	Treston OY, Finland.		50	13.92
28	ESD Chairs *	Treston OY, Finland.		90	2.51
				Total	280.10

* - Denotes items where the cost has undergone change

Revised Project Schedule:

As per revised implementation schedule provided by Client, proposed Project shall commence in October 2022 and is likely to end by July 2023.

Proposed revised Project schedule provided by Company has been shown below,

Sr. No.	Description	Start Date	End Date	Status as on September 6, 2022
1	Purchase of Land	01-10-2022	30-10-2022	Yet to Start
2	Clearance from Statutory Bodies	01-10-2022	30-11-2022	Yet to Start
3	Building Construction	01-11-2022	30-04-2023	Yet to Start
4	Finalization of Machineries	01-10-2022	30-11-2022	Yet to Start
5	Electrical & HVAC Works	01-02-2023	30-06-2023	Yet to Start
6	Building Interiors & Façade	01-03-2023	30-06-2023	Yet to Start
7	Ordering, Delivering & Commissioning of Machineries	01-12-2022	30-06-2023	Yet to Start
8	Certifications & Approvals	01-06-2023	31-07-2023	Yet to Start
9	Commencement of Operations	01-07-2023	--	Yet to Start

Source: Company



Approvals/ NOC's

The updated status of approvals/ NOC's of the Project is as follows:

a) Contracts/ Agreements

Sr. No.	Name of the Clearance/Approval	Authority	Status of Approval
1	Allotment Letter	Karnataka Industrial Areas Development Board (KIADB)	Yet to obtain
2	Possession Certificate	Karnataka Industrial Areas Development Board (KIADB)	Yet to obtain
3	Lease Deed	Karnataka Industrial Areas Development Board (KIADB)	Yet to obtain

Source: Company

b) Pre-Construction Stage:

Sr. No.	Name of the Clearance/Approval	Authority	Status of Approval
1	Permanent Water Connection	Karnataka Industrial Areas Development Board (KIADB)	Yet to obtain
	Consent for Establishment, under Air and	Karnataka State Pollution Control Board (KSPCB)	Yet to obtain
2	Water Pollution Control, and Hazardous Waste Management rules (3 categories)		
3	Power Connection	Bangalore Electricity Supply Company Limited (BESCOM)	Yet to obtain
4	Building Plan Approval	Karnataka Industrial Areas Development Board (KIADB)	Yet to obtain
5	Approval of Master Plan under provisions of Karnataka Factories Rule 1969	Department of Factories, Boiler, Safety & Health, GoK	Yet to obtain
6	Provisional NOC from Karnataka State Fire & Emergency Services, GoK	Directorate of Fire & Emergency Services, GoK	Yet to obtain
	Emergency Services		

Source: Company



We have requested approved building plans and other approvals and NOC's obtained (if any) for the Project which are required for commencement of Project. As informed by the Company, process of obtaining approvals and NOC's will be initiated after land allotment from KIADB. We have assumed that all the necessary approvals & NOC's will be obtained in due course of time without any delay or changes.

c) Pre-Operation:

Certificate / License / NOC	Issuing Authority	Status
COI (Certificate of Incorporation)	Registrar of Companies (RoC)	Obtained
PAN (Permanent Account Number)	Indian Income Tax Department	Obtained
TAN (Tax Deduction and Collection Account Number)	Indian Income Tax Department	Obtained
Commencement of Business	Registrar of Companies (RoC)	Yet to obtain
GST (Goods and Services Tax) *	Goods and Services Tax Council	Obtained
IEC (Importer Exporter Code) *	Directorate General of Foreign Trade	Obtained
LDP / LOA (Letter of Approval)	CSEZ Authority	Yet to obtain
BLUT (Bond cum Legal Undertaking)	CSEZ Authority	Yet to obtain
Consent to operate	Karnataka State Pollution Control Board	Yet to obtain
Factory License / Shop & Establishment	Department of Factories, Boilers, Industrial Safety & Health	Yet to obtain
MSME (Micro, Small & Medium Enterprises)	Ministry of Micro, Small & Medium Enterprises	Yet to obtain

Source: Company

Note: For pre-operation approvals we assume that same will be obtained before start of operations.

* - Denotes items which has undergone change



d) Post-Operation:

Certificate / License / NOC	Issuing Authority	Status
Karnataka Shop & Establishment	Karnataka State Labour Dept.	Yet to obtain
PT (Professional Tax)	Karnataka Professional Tax Dept.	Yet to obtain
EPF (Employees Provident Fund)	Employees' Provident Fund Organization (EPFO)	Yet to obtain
ESI (Employees State Insurance)	Employees' State Insurance Corporation	Yet to obtain
LEI (Legal Entity Identifier)	Global Legal Entity Identifier Foundation (GLEIF)	Yet to obtain



FINANCIAL ANALYSIS

RASPL – Projected P&L Account

Profit and Loss Statement		(in INR Mn)				
Particulars	Projected Period					
	2024	2025	2026	2027	2028	
Income						
Revenue From Operations						
- Sales to Holding	2,500.00	3,000.00	3,500.00	3,750.00	4,090.00	
- Sales to Others	350.00	500.00	1,250.00	1,500.00	1,800.00	
Total Income	2,850.00	3,500.00	4,750.00	5,250.00	5,890.00	
Expenses						
Cost of Goods sold	2,523.00	3,090.00	4,125.00	4,545.00	5,085.00	
Employee benefits expense	41.10	47.10	53.97	61.76	70.71	
Other Expenses	26.03	27.33	38.70	40.13	41.64	
Total Expenses	2,590.12	3,164.42	4,217.67	4,646.89	5,197.35	
EBITDA	259.88	335.58	532.33	603.11	692.65	
Depreciation *	54.37	62.15	50.58	41.41	34.06	
EBIT	205.51	273.42	481.75	561.70	658.59	
Other Income - Non Operating	-	-	6.00	20.00	38.00	
Finance Cost *	43.18	58.03	67.06	74.77	82.62	
PBT	162.33	215.40	420.69	506.93	613.97	
Tax Expense *	26.62	38.80	73.43	87.79	105.84	
Profit After Tax	135.71	176.60	347.26	419.14	508.13	

Key points:

1. Depreciation and Tax Expenses has undergone change due to delay in implementation schedule and change in the cost of Fixed Assets.

* - Denotes items where the cost has undergone change



Financial Projections - RASPL



Particulars	Projected Period					
	2023	2024	2025	2026	2027	2028
(In INR Mn)						
Balance Sheet						
ASSETS						
Non Current Assets						
Fixed Assets *	254.80	448.80	448.80	448.80	448.80	448.80
Less: Accumulated Depreciation *	-	(54.37)	(116.52)	(167.10)	(208.51)	(242.57)
Net Fixed Assets	254.80	394.43	332.28	281.70	240.29	206.23
Total Non Current Assets	254.80	394.43	332.28	281.70	240.29	206.23
Current Assets						
Inventories - Holding	-	562.50	656.25	703.13	766.88	843.56
Inventories - Others	-	81.25	203.13	243.75	292.50	321.75
Trade Receivables	-	296.88	364.58	494.79	546.88	613.54
Cash and Cash equivalents *	195.20	-	-	-	-	-
Fixed Deposit	-	-	150.00	500.00	950.00	1,450.00
Total Current Assets	195.20	940.63	1,373.96	1,941.67	2,556.25	3,228.85
TOTAL ASSETS	450.00	1,335.06	1,706.24	2,223.36	2,796.54	3,435.08
EQUITY & LIABILITIES						
EQUITY						
Equity Share Capital	450.00	450.00	450.00	450.00	450.00	450.00
Other Equity	-	135.71	312.31	659.56	1,078.70	1,586.83
Total Equity	450.00	585.71	762.31	1,109.56	1,528.70	2,036.83
Current Liabilities						
Short Term Borrowings *	-	557.04	734.57	847.19	973.06	1,069.75
Trade Payables	-	190.01	206.60	263.28	291.09	324.43
Other Current Liabilities	-	2.30	2.76	3.33	3.68	4.06
Total Current Liabilities	-	749.35	943.93	1,113.80	1,267.83	1,398.25
TOTAL EQUITY & LIABILITIES	450.00	1,335.06	1,706.24	2,223.36	2,796.54	3,435.08

Key points:

1. There is a change in the figure of Fixed Assets and Depreciation due to change in the implementation schedule.

* - Denotes items where the cost has undergone change



Financials Projections



Projected Cashflow Statement

(In INR Mn)

Particulars	Projected Period					
	2023	2024	2025	2026	2027	2028
A. Cash Flow from operating activities :						
Net Profit after Tax *	-	135.71	176.60	347.26	419.14	508.13
Add: Interest expenses	-	43.18	58.03	67.06	74.77	82.62
Add: Depreciation *	-	54.37	62.15	50.58	41.41	34.06
Cash Operating Profit	-	233.26	296.78	464.90	535.31	624.81
Adjustments for :						
Working Capital Changes		(748.32)	(766.78)	(160.46)	(136.42)	(138.88)
Cash from operating activities before tax	-	(515.06)	30.50	304.44	398.90	485.93
Net Cash from operating activities	-	(515.06)	30.50	304.44	398.90	485.93
B. Cash Flow from investing activities :						
Sale / (Purchase) of fixed assets (including CWIP) *	(254.80)	(194.00)	-	-	-	-
Net Cash generated / (used) from investing activities	(254.80)	(194.00)	-	-	-	-
Net Free Cash Flows	(254.80)	(709.06)	30.50	304.44	398.90	485.93
C. Cash Flow from financing activities :						
Issue / (Repayment) of Share Capital	449.00	-	-	-	-	-
Short term bank borrowing *	-	557.04	177.52	112.62	125.87	96.69
Less: Interest *	-	(43.18)	(58.03)	(67.06)	(74.77)	(82.62)
Net Cash generated / (used) from financing activities	449.00	513.86	119.50	45.56	51.10	14.07
Net increase / (decrease) in cash and cash equivalents	194.20	(195.20)	150.00	350.00	450.00	500.00
Cash and cash equivalents (Opening Balance)	1.00	195.20	-	150.00	500.00	950.00
Cash and cash equivalents (Closing Balance)	195.20	-	150.00	500.00	950.00	1,450.00

* Denotes items where the cost has undergone change



Ratio Analysis

Payback period (In INR Mn)						
Particulars	Projected Period					
	2023	2024	2025	2026	2027	2028
Capex	(254.80)	(194.00)	-	-	-	-
PAT	-	135.71	176.60	347.26	419.14	508.13
Depreciation	-	54.37	62.15	50.58	41.41	34.06
Total Inflow/(Outflow)	(254.80)	(3.92)	238.75	397.84	460.55	542.19
Payback period	2 years 18 days					

Payback period (In INR Mn)						
Particulars	Projected Period					
	2023	2024	2025	2026	2027	2028
Inventories - Holding	-	562.50	656.25	703.13	766.88	843.56
Inventories - Others	-	81.25	203.13	243.75	292.50	321.75
Trade Receivables	-	296.88	364.58	494.79	546.88	613.54
Cash and Cash equivalents	-	-	150.00	500.00	950.00	1,450.00
Current Assets	-	940.63	1,373.96	1,941.67	2,556.25	3,228.85
Trade Payables	-	190.01	206.60	263.28	291.09	324.43
Current Portion of LT Debt	-	557.04	734.57	847.19	973.06	1,069.75
Other Current Liab	-	2.30	2.76	3.33	3.68	4.06
Current Liabilities	-	747.05	941.17	1,110.47	1,264.15	1,394.19
Current Ratio		1.26	1.46	1.75	2.02	2.32
Quick Ratio		0.40	0.55	0.90	1.18	1.48
Cash Ratio		-	0.16	0.45	0.75	1.04
Working Capital Loans	-	557.04	734.57	847.19	973.06	1,069.75
Debt	-	557.04	734.57	847.19	973.06	1,069.75
Networth	450.00	585.71	762.31	1,109.56	1,528.70	2,036.83
Debt / Equity Ratio	-	0.95	0.96	0.76	0.64	0.53
EBIT	-	205.51	273.42	481.75	561.70	658.59
Interest Expense	-	43.18	58.03	67.06	74.77	82.62
Interest Coverage Ratio		4.76	4.71	7.18	7.51	7.97

* - Denotes items where the cost has undergone change



Ratio Analysis

Breakeven Analysis		(In INR Mn)					
Particulars	Projected Period						
	2023	2024	2025	2026	2027	2028	
Sales	-	-	-	-	-	-	
to Holding company	-	2,500.00	3,000.00	3,500.00	3,750.00	4,090.00	
To others	-	350.00	500.00	1,250.00	1,500.00	1,800.00	
Other Income	-	-	-	6.00	20.00	38.00	
Total Revenue (a)	-	2,850.00	3,500.00	4,756.00	5,270.00	5,928.00	
Variable Cost - Cost of Good Sold	-	2,523.00	3,090.00	4,125.00	4,545.00	5,085.00	
Contribution	-	327.00	410.00	631.00	725.00	843.00	
Contribution (In%) - (b)	-	11.47%	11.71%	13.27%	13.76%	14.22%	
Fixed Cost							
Employee cost	-	41.10	47.10	53.97	61.76	70.71	
Depreciation	-	54.37	62.15	50.58	41.41	34.06	
Finance cost	-	43.18	58.03	67.06	74.77	82.62	
Other Expenses	-	26.03	27.33	38.70	40.13	41.64	
Total Fixed Cost (c)	-	164.67	194.60	210.31	218.07	229.03	
Breakeven Sales (in INR) - (c)/(b)	-	1,435.18	1,661.26	1,585.16	1,585.11	1,610.58	

* - Denotes items where the cost has undergone change



Sensitivity Analysis - 1



Sensitivity analysis 1 assuming that there is no sales to 3rd parties

Profit and Loss Statement						in INR Mn
Particulars	Projected Period					
	2024	2025	2026	2027	2028	
Income						
Revenue From Operations						
- Sales to Holding	2,500.00	3,000.00	3,500.00	3,750.00	4,090.00	
Total Income	2,500.00	3,000.00	3,500.00	3,750.00	4,090.00	
Expenses						
Cost of Goods sold	2,750.00	2,700.00	3,150.00	3,375.00	3,681.00	
Employee benefits expense	41.10	47.10	53.97	61.76	70.71	
Other Expenses	26.03	27.33	38.70	40.13	41.64	
Total Expenses	2,317.12	2,774.42	3,242.67	3,476.89	3,793.35	
EBITDA	182.88	225.58	257.33	273.11	296.65	
Depreciation *	54.37	62.16	50.59	41.41	34.06	
EBIT	128.50	163.41	206.74	231.70	262.59	
Other Income - Non Operating	-	-	6.00	20.00	38.00	
Finance Cost	37.86	45.72	49.94	54.23	59.49	
PBT	90.64	117.69	162.80	197.47	241.10	
Tax Expense *	14.32	22.03	29.18	34.69	41.85	
Profit After Tax	76.32	95.66	133.62	162.78	199.24	

Payback period							in INR Mn
Particulars	Projected Period						
	2023	2024	2025	2026	2027	2028	
Capex *	(254.80)	(194.03)	-	-	-	-	
PAT	-	76.32	95.66	133.62	162.78	199.24	
Depreciation *	-	54.37	62.16	50.59	41.41	34.06	
Total Inflow/(Outflow)	(254.80)	(63.33)	157.82	184.21	204.19	233.31	
Payback period	2 years 318 days						



Sensitivity Analysis – 1

Sensitivity analysis 1 assuming that there is no sales to 3rd parties

in INR Mn					
Particulars	Projected Period				
	2024	2025	2026	2027	2028
Breakeven Analysis					
Sales					
- to Holding company	2,500.00	3,000.00	3,500.00	3,750.00	4,090.00
Other Income	-	-	6.00	20.00	38.00
Total Revenue (a)	2,500.00	3,000.00	3,506.00	3,770.00	4,128.00
Variable Cost - Cost of Good Sold	2,250.00	2,700.00	3,150.00	3,375.00	3,681.00
Contribution	250.00	300.00	356.00	395.00	447.00
Contribution (in%) - (b)	10%	10%	10%	10%	11%
Fixed Cost					
Employee cost	41.10	47.10	53.97	61.76	70.71
Depreciation *	54.37	62.16	50.59	41.41	34.06
Finance cost	37.86	45.72	49.94	54.23	59.49
Other Expenses	26.03	27.33	38.70	40.13	41.64
Total Fixed Cost (c)	159.36	182.31	193.20	197.53	205.90
Breakeven Sales (in INR) - (c)/(b)	1,593.61	1,823.08	1,902.69	1,885.29	1,901.49



Sensitivity Analysis – 2

Sensitivity analysis 2 assuming that there is no sales to 3rd parties , receivables collection period at 2.45 months, inventory holding period at 6.65 months and Trade payables period at 3 months

Profit and Loss Statement					in INR Mn
Particulars	Projected Period				
	2024	2025	2026	2027	2028
Income					
Revenue From Operations					
- Sales to Holding	2,500.00	3,000.00	3,500.00	3,750.00	4,090.00
Total Income	2,500.00	3,000.00	3,500.00	3,750.00	4,090.00
Expenses					
Cost of Goods sold	2,250.00	2,700.00	3,150.00	3,375.00	3,681.00
Employee benefits expense	41.10	47.10	53.97	61.76	70.71
Other Expenses	26.03	27.33	38.70	40.13	41.64
Total Expenses	2,317.12	2,774.42	3,242.67	3,476.89	3,793.35
EBITDA	182.88	225.58	257.33	273.11	296.65
Depreciation	54.37	62.16	50.59	41.41	34.06
EBIT	128.50	163.41	206.74	231.70	262.59
Other Income - Non Operating	-	-	6.00	20.00	38.00
Finance Cost	60.79	91.29	99.46	108.07	118.63
PBT	67.71	72.12	113.28	143.62	181.95
Tax Expense	10.38	14.21	20.68	25.45	31.70
Profit After Tax	57.33	57.91	92.60	118.17	150.25

Payback period							in INR Mn
Particulars	Projected Period						
	2023	2024	2025	2026	2027	2028	
Capex	(254.8)	(194.0)	-	-	-	-	
PAT	-	57.3	57.9	92.6	118.2	150.2	
Depreciation	-	54.4	62.2	50.6	41.4	34.1	
Total Inflow/(Outflow)	(254.8)	(82.3)	120.1	143.2	159.6	184.3	
Payback period	3 years 169 days						



Sensitivity Analysis – 2

Sensitivity analysis 2 assuming that there is no sales to 3rd parties , receivables collection period at 2.45 months, inventory holding period at 6.65 months and Trade payables period at 3 months

Breakeven Analysis		in INR Mn				
Particulars	Projected Period					
	2024	2025	2026	2027	2028	
Sales						
to Holding company	2,500.00	3,000.00	3,500.00	3,750.00	4,090.00	
Other Income	-	-	6.00	20.00	38.00	
Total Revenue (a)	2,500.00	3,000.00	3,506.00	3,770.00	4,128.00	
Variable Cost – Cost of Good Sold	2,250.00	2,700.00	3,150.00	3,375.00	3,681.00	
Contribution	250.00	300.00	356.00	395.00	447.00	
Contribution (in%) - (b)	10%	10%	10%	10%	11%	
Fixed Cost						
Employee cost	41.10	47.10	53.97	61.76	70.71	
Depreciation	54.37	62.16	50.59	41.41	34.06	
Finance cost	60.79	91.29	99.46	108.07	118.63	
Other Expenses	26.03	27.33	38.70	40.13	41.64	
Total Fixed Cost (c)	182.29	227.88	242.72	251.38	265.05	
Breakeven Sales (in INR) - (c)/(b)	1,822.89	2,278.77	2,390.38	2,399.21	2,447.68	



This report should be read as an addendum to the Original Report issued by us on March 23, 2022 and shall form an integral part of the Original Report. All other facts and figures except the change as provided by this Addendum shall continue to be in full force and effect. This Addendum along with our report dated March 23, 2022, shall constitute entire Report for the purpose of TEV study.

Unless required by law this Addendum shall not be provided to any third party without our prior written consent. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom the Addendum is disclosed or otherwise made available. RBSA is not responsible for the unauthorized use of this Addendum.

We assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided to us by and on behalf of the Client.

No responsibility is assumed for matters legal in nature. No investigation has been made of the title to or any liabilities against the property to be appraised.

For RBSA Valuation Advisors LLP



Samir Shah

Partner

Date: September 20, 2022



Tejas Shah

Partner



Dattatraya Kota

Partner