VALUATION REPORT

on

Fair Value of Non-Convertible Cumulative Redeemable Preference Shares ("NCRPS")

Chemiesynth (Vapi) Limited

Valuation Date – 31st July 2026

Report Date – 11th August 2026

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Valuation Analysis

We refer to our Engagement as independent valuers of **Chemiesynth (Vapi) Limited** (the "Company"). In the following paragraphs, we have summarized our valuation Analysis (the "Analysis") of the business of the Company as informed by the management and detailed herein, together with the description of the methodologies used and limitation on our scope of work.

1 Context and Purpose

Based on discussion with the management, we understand that the Company's promoters are evaluating the possibility of **Fair Value of Non-Convertible Cumulative Redeemable Preference Shares ("NCRPS") under the Companies Act, 2013 and applicable rules thereunder**. In the context of these proposed transactions, the management requires our assistance in determining the **fair value of Non-Convertible Cumulative Redeemable Preference Shares ("NCRPS")** of the Company.

Proposed Transaction:

During the financial year 2026-27, Company is evaluating the possibility of issuing NCRPS to prospective investors. In this context, the management of **Chemiesynth (Vapi) Limited** (the "Management") has requested us to estimate the fair value of the Non-Convertible Cumulative Redeemable Preference Shares ("NCRPS"). - "Proposed Transaction".

2 Conditions and major assumptions

Conditions

The historical financial information about the Company presented in this Report is included solely for the purpose to arrive at value conclusion presented in this Report and it should not be used by anyone to obtain credit or for any other unintended purpose. Because of the limited purpose as mentioned in the Report, it may be incomplete and may contain departures from generally accepted accounting principles prevailing in the country. We have not audited, reviewed or compiled the financial statements and express no assurance on them.

Readers of this Report should be aware that a business valuation is based on future earnings potential that may or may not be materialised. Any financial projection e.g. projected balance sheet, projected profit & loss account, projected cash flow statements as presented in this Report are included solely to assist in the development of the value conclusion. The actual results may vary from the projections given, and the variations may be material, which may change the overall value.

This Report is only to be used in its entirety, and for the purpose stated in the Report. No third parties should rely on the information or data contained in this Report without the advice of their lawyer, attorney or accountant.

We acknowledge that we have no present or contemplated financial interest in the Company. Our fees for this valuation are based upon our normal billing rates, and not contingent upon the results or the value of the business or in any other manner. We have no responsibility to modify this Report for events and circumstances occurring subsequent to the date of this Report.

We have, however, used conceptually sound and generally accepted methods, principles and procedures of valuation in determining the value estimate included in this Report. The valuation analyst, by reason of performing this valuation and preparing this Report, is not to require to give expert testimony nor to be in attendance in court or at any government hearing with reference to the matters contained herein, unless prior arrangements have been made with the analyst regarding such additional engagement.

Assumptions

The opinion of value given in this Report is based on information provided by the management of the Company and other sources as listed in the Report. This information is assumed to be accurate and complete.

We have relied upon the representations contained in the public and other documents in our possession and any other assets or liabilities except as specifically stated to the contrary in this Report.

We have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances, or that the owner has good title to all the assets.

We have also assumed that the business will be operated prudently and that there are no unforeseen adverse changes in the economic conditions affecting the business, the market, or the industry. This Report presumes that the management of the Company will maintain the character and integrity of the Company.

We have been informed by the management that there are no Significant lawsuits or any other undisclosed contingent liabilities which may potentially affect the business, except as may be disclosed elsewhere in this Report. We have assumed that no costs or expenses will be incurred in connection with such liabilities, except as explicitly stated in this Report.

3 Background of the Company

The company is engaged in the business of Chemical Manufacturing (Specialty Chemicals).

Further data of the company as under:

CIN	L24110GJ1986PLC008634
Company Name	CHEMIESYNTH (VAPI) LIMITED
ROC Name	ROC Ahmedabad

Registration Number	8634
Date of Incorporation	24-04-1986
Email Id	compliance@chemiesynth.com
Registered Address	PLOT NO 27 GIDC VAPI DIST, VALSAD, Gujarat, India, 396195
Address at which the books of account are to be maintained	-
Listed in Stock Exchange(s) (Y/N)	Yes
Category of Company	Company limited by shares
Subcategory of the Company	Non-government company
Class of Company	Public
ACTIVE compliance	ACTIVE Compliant
Authorised Capital (Rs)	3,25,00,000
Paid up Capital (Rs)	3,07,00,000
Date of last AGM	30-09-2025
Date of Balance Sheet	31-03-2025
Company Status	Active

Directors and Key Managerial Persons:

DIN/PAN	Name	Designation	Date of Appointment
784327	Rushabh Suresh Mehta	Director	28-09-2018
418958	Pramod Gopaldas Gujarathi	Director	30-05-2018
158861	Satish Bhogilal Zaveri	Director	24-04-1986
158876	Sandip Satishbhai Zaveri	Managing Director	30-06-2001
7729752	Jigna Anil Prajapati	Director	01-02-2023
*****9580A	Sureshbhai Dahyabhai Lad	CFO	05-12-2025
*****1933B	Pranali Yogeshkumar Dholabhai	Company Secretary	31-08-2024

4 Valuation Premise

The premise of value for our analyses is going concern value as there is neither a planned or contemplated discontinuance of any line of business nor any liquidation of the Company.

5 Valuation Date

The Analysis of the Fair Value of Non-Convertible Cumulative Redeemable Preference Shares ("NCRPS") of the **Chemiesynth (Vapi) Limited** has been carried out as on **31st July 2026.**

6 Declaration of Independence of valuer and Financial Interest

I hereby declare that I am independent of the subject firms for valuation and have not been under any direct or indirect influence, which may affect the valuation exercise. I also state that I have no financial interest in the subject company for Valuation.

7 Valuation Standards

The Report has been prepared in compliance with the internationally accepted valuation standards and valuation standard adopted by ICAI Registered Valuers Organisation.

8 Valuation Methodology and Approach

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

Valuation of a business is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be prepared to pay a substantial goodwill. This exercise may be carried out using various methodologies, the relative emphasis of each often varying with:

- whether the entity is listed on a stock exchange
- industry to which the Company belongs
- past track record of the business and the ease with which the growth rate in cash flows to perpetuity can be estimated
- Extent to which industry and comparable Company information is available.

The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue. These can be broadly categorised as follows:

1. Asset Approach

Net Asset Value Method ("NAV")

The value arrived at under this approach is based on the audited financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The balance sheet values are adjusted for any contingent liabilities that are likely to materialise.

The Net Asset Value is generally used as the minimum break-up value for the transaction since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern.

2. Market Approach

Comparable Company Market Multiple Method

Under this methodology, market multiples of comparable listed companies are computed and applied to the business being valued in order to arrive at a multiple based valuation The difficulty here in the selection of a comparable company since it is rare to find two or more

companies with the same product portfolio, size, capital structure, business strategy, profitability and accounting practices.

Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way comparable enterprises are valued by public markets. In case of early stage company and different business model the problem aggravates further.

Comparable Transactions Multiple Method

This approach is somewhat similar to the market multiples approach except that the sales and EBITDA multiples of reported transactions in the same industry in the recent past are applied to the sales and EBITDA of the business being valued.

3. Income Approach

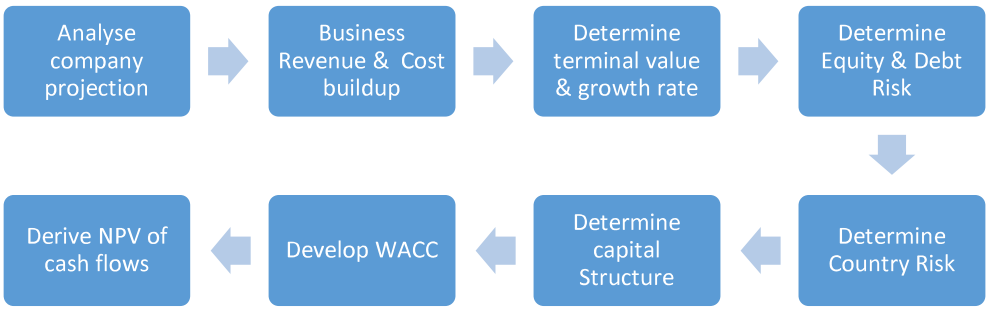
Discounted Cash Flows - "DCF"

DCF uses the future free cash flows of the company discounted by the firm's weighted average cost of capital (the average cost of all the capital used in the business, including debt and equity), plus a risk factor measured by beta, to arrive at the present value.

Beta is an adjustment that uses historic stock market data to measure the sensitivity of the Company's cash flow to market indices, for example, through business cycles.

The DCF method is a strong valuation tool, as it concentrates on cash generation potential of a business. This valuation method is based on the capability of a company to generate cash flows in the future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a Company's cost of capital and the risk associated with the cash flows it generates. DCF analysis is based mainly on the following elements:

- Projection of financial statements (key value driving factors)
- The cost of capital to discount the projected cash flows



Valuation Methodology

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.

In the instant case, the conversion ratio for the Non-Convertible Cumulative Redeemable Preference Shares ("NCRPS") is not applicable, hence we have calculated the value of NCRPS

according to the value of RPS, while underlying value of RPS value is being calculated as per the Dividend Discount Model.

Our choice of methodology and valuation has been arrived using usual and conventional methodologies adopted for purposes of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of similar nature.

Valuation of Redeemable Preference shares ("RPS") Working *(Refer Annexure 1)*

9 Source of Information

The Analysis is based on a review of the business plan of the Company provided by the Management and information relating to sector as available in the public domain. Specifically, the sources of information include:

- Audited Financials as of FY25.
- Terms of Issue of Non-Convertible Cumulative Redeemable Preference Shares ("NCRPS");
- Discussions with the Management / representative of the Company;
- All Company specific information were sourced from the management of the Company, either in the written hard copy or digital form;
- Other information / data available in public domain.

In addition to the above, we have also obtained such other information and explanations from the Company as were considered relevant for the purpose of the valuation. It may be mentioned that the Management has been provided the opportunity to review our draft Report as part of our standard practice to make sure that factual inaccuracies are avoided in our final Report.

10 Caveats

Provision of valuation recommendations and considerations of the issues described herein are areas of our regular corporate advisory practice. The services do not represent accounting, assurance, financial due diligence review, consulting, transfer pricing or domestic/international tax-related services that may otherwise be provided by us.

Our review of the affairs of the Company and their books and account does not constitute an audit in accordance with Auditing Standards. We have relied on explanations and information provided by the Management of the Company and accepted the information provided to us as accurate and complete in all respects. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided. Nothing has come to our attention to indicate that the information provided had material mis-statements or would not afford reasonable grounds upon which to base the Report.

The Report is based on the financial projections provided to us by the Management of the company and thus the responsibility for forecasts and the assumptions on which they are

based is solely that of the Management of the Company and we do not provide any confirmation or assurance on the achievability of these projections. It must be emphasized that profit forecasts necessarily depend upon subjective judgement. Similarly we have relied on data from external sources. These sources are considered to be reliable and therefore, we assume no liability for the accuracy of the data. We have assumed that the business continues normally without any disruptions due to statutory or other external/internal occurrences.

The valuation worksheets prepared for the exercise are proprietary to the Valuer and cannot be shared. Any clarifications on the workings will be provided on request, prior to finalizing the Report, as per the terms of our engagement.

The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them.

The Valuation Analysis contained herein represents the value only on the date that is specifically Stated in this Report. This Report is issued on the understanding that the Management of the Company has drawn our attention to all matters of which they are aware, which have an impact on our Report up to the date of signature. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

We have no present or planned future interest in the Company and the fee for this Report is not contingent upon the values reported herein.

Our Valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any transaction with the Company.

11 Distribution of Report

The Analysis is confidential and has been prepared exclusively for **Chemiesynth (Vapi) Limited**. It should not be used, reproduced or circulated to any other person or for any purpose other than as mentioned above, in whole or in part, without the prior written consent of the valuer. Such consent will only be given after full consideration of the circumstances at the time. However, we do understand that the Report will be shared with the investor / buyers of the Company / submission to government authorities and regulators towards statutory compliances.

12 Opinion on Fair Value of Non-Convertible Cumulative Redeemable Preference Shares ("NCRPS")

Based on our valuation exercise Fair Value of the Non-Convertible Cumulative Redeemable Preference Shares ("NCRPS") as on 31st July 2026 is as under:

(In INR)

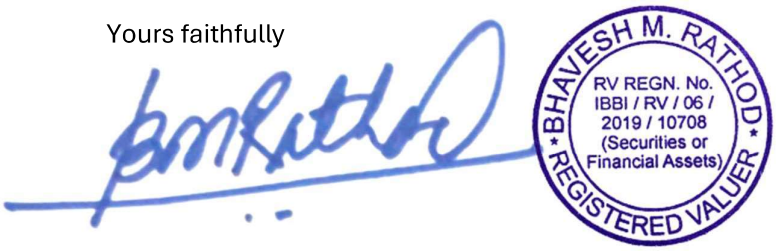
Details		Amount
Value of the Straight Bond (in INR) (#)	A	**7.92**

Face Value per NCRPS (in INR)	B	10.00
Fair Value per NCRPS (in INR) (*)	**Higher of A or B**	**10.00**

(*) As per section 53 of Companies Act 2013 (Prohibition to issue shares at discount) the Company is prohibited to issue shares at a discount to face value. Accordingly, the face value of shares of the company i.e., Rs. 10.00 per share should be the fair value for the proposed issue of shares by the company.
(#) Refer annexure 1.

We trust the above meets your requirements. Please feel free to contact us in case you require any additional information or clarifications.

Yours faithfully



Bhavesh M Rathod
Chartered Accountants
M No: 119158
Registered Valuer - Securities or Financial Assets
(Reg No: IBBI/RV/06/2019/10708)

Date: 11th August 2026
Place: Mumbai

UDIN: 26119158ANPEYZ6763

13 Annexure 1

Valuation of Non-Convertible Cumulative Redeemable Preference shares ("NCRPS")

(In INR)

Particulars	31-07-2026	31-07-2027	31-07-2028	31-07-2029	31-07-2030	31-07-2031	31-07-2032	31-07-2033
Discount Rate		9.16%	9.16%	9.16%	9.16%	9.16%	9.16%	9.16%
Dividend	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Redemption Cash Flow								10.00
Total Cash Flows	**0.5**	**0.5**	**0.5**	**0.5**	**0.5**	**0.5**	**0.5**	**10.5**
Tenure		1.00	2.00	3.00	4.00	5.00	6.00	7.00
Present Value		0.92	0.84	0.77	0.70	0.65	0.59	0.54
Present Value of Cash Flows		**0.45806**	**0.41965**	**0.38445**	**0.35220**	**0.32266**	**0.29560**	**5.68701**
Value of the Straight Bond	**7.92**							

Assumptions

Face Value Per NCRPS	10.00
Redemption Value Per NCRPS	10.00
Coupon Rate	5.00%
Number of Preference Shares	1,50,00,000
Valuation Date	31-Jul-26
Issue Date	31-Jul-26
End Date	31-Jul-33

Note 1:

Calculation of Yield	Rate
Average YTM of corporate bonds traded on the BSE Debt Segment on 31st July 2026, having residual tenure comparable to the NCRPS	9.16 %
Yield	**9.16 %**

14 Annexure 2

Terms of Fresh Issue of Non-Convertible Cumulative Redeemable Preference Shares ("NCRPS") are as follows:

"RESOLVED THAT pursuant to the provisions of Sections 42, 55, and 62, and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the Memorandum and Articles of Association of the Company, subject to the approval of the Shareholders of the Company in an Annual General Meeting (AGM), the consent of the Board of Directors be and is hereby accorded to offer, issue, and allot **Unlisted** 5% Non-Convertible Cumulative Redeemable Preference Shares (**"NCRPS"**) of face value of ₹10 each, for an aggregate amount not exceeding **₹15,00,00,000/- (Rupees Fifteen Crores Only)** on a private placement basis, in tranches, on the following principal terms and conditions:

- **Listing Status:** NCRPS shall remain Unlisted and will not be listed on any recognized stock exchange;
- **Rate of Dividend:** 5% per annum (Cumulative).
- **Convertibility:** Non-Convertible
- **Preferential Rights:** NCRPS shall carry a preferential right vis-à-vis equity shares of the Company with respect to payment of dividend and repayment of capital in the event of winding up;
- **Non-Participating in Surplus Funds**: NCRPS shall be non-participating in the surplus funds of the Company;
- **Non-Participating in Surplus Assets:** NCRPS shall be non-participating in surplus assets and profits which may remain after the entire capital has been repaid, on winding up of the Company;
- **Name of the Investor / Allottee**: To be finalized / To be allotted to Promoter Group / Identified Person(s)

- **Final Redemption:** Fully redeemable upon the expiry of **seven (7) years** from the date of allotment.
- **Call and Put Options: * Call Option:** The Company shall have a Call Option to early redeem all or part of the NCRPS at any time after the completion of **two years** from the date of allotment up to the expiry of 7 years.
    - **Put Option:** The Subscriber shall have a Put Option to require the Company to redeem all or part of the NCRPS at any time after the completion of **two years** from the date of allotment up to the expiry of 7 years.
    - **Notice Period:** Either option may be exercised by giving a 30-day prior written notice to the other party.
- **Tranches:** To be issued in tranches as mutually agreed between the Company and the Investor
- **Voting Rights:** NCRPS shall carry voting rights strictly in accordance with the provisions of Section 47 of the Companies Act, 2013, as amended from time to time;

RESOLVED FURTHER THAT the draft of the Private Placement Offer Cum Application Letter in Form PAS-4 and the draft Notice of AGM along with the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, as placed before the Board, be and are hereby approved.

RESOLVED FURTHER THAT any Director of the Company be and is hereby individually authorized to convene the Annual General Meeting of the Company, finalize the AGM Notice, issue the offer documents, file necessary forms (including Form MGT-14 and Form PAS-3) with the Registrar of Companies (ROC), and do all such acts, deeds, matters, and things as may be necessary and expedient to give effect to this resolution."