

***Valuation of equity shares of Magnus Steel & Infra Limited as per the provisions of the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”)***

***Relevant Date: 09<sup>th</sup> January 2026***

**Rashmi Shah FCA**  
*Registered Valuer (Securities or Financial Assets) with IBBI*  
*Registration No.: IBBI/RV/06/2018/10240*

Date: 15<sup>th</sup> January 2026

**To,**  
**The Board of Directors**  
**Magnus Steel & Infra Limited**  
Unit no 365, Shirshagaon, Niphad, Nashik - 422 001, Maharashtra

Dear Sirs,

**Sub: Valuation of equity shares of Magnus Steel & Infra Limited for preferential allotment**

Magnus Steel & Infra Limited (“MSIL” or “the Company”) intends to issue equity shares to certain investors.

In this regard, Rashmi Shah FCA, Registered Valuer with IBBI Registration No. IBBI/RV/06/2018/10240 (‘RVS’ or ‘Independent Valuer’) has been appointed to determine fair value of equity shares of MSIL under Regulation 165 & Regulation 166A and 170(2) revise pricing of the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”) (‘SEBI ICDR Regulations’) (‘Valuation Purpose’).

The Valuation Date as informed to us by the Management of MSIL (‘the Management’) for computation of the value of the said equity shares to be issued by MSIL is 09<sup>th</sup> January 2026 (‘Valuation Date’).

This Report is structured under the following broad heads:

- Background
- Information sources
- Valuation Standards followed and Procedure adopted for Valuation
- Valuation Methodology
- Valuation Analysis and Conclusion
- Scope Limitation
- Annexures



## BACKGROUND

### Magnus Steel & Infra Limited

- Magnus Steel & Infra Limited (CIN: L72200MH1978PLC416753) is a company limited by shares incorporated on 22<sup>nd</sup> February 1978 under the Companies Act, 1956, with its registered office at Unit no 365, Shirshagaon, Niphad, Nashik 422 001 Maharashtra.
- As on the date of report, MSIL is engaged in line of business activity of trading in iron & steel products, including engineering products, in the India and international market.
- Equity shares of MSIL are listed on BSE Limited ("BSE").
- The shareholding pattern of MSIL as of 30<sup>th</sup> September 2025 is as under:

Particulars	No. of shares	% Shareholding
Promoter & Promoter Group	15,59,215	46.13%
Public	18,21,085	53.87%
<b>Total</b>	<b>3,380,300</b>	<b>100.00%</b>

## **INFORMATION SOURCES**

We have relied on the following sources of information and documents as provided to us by the Management of MSIL ('the Management') and available in public domain:

- Unaudited Financial Statements of MSIL for the period ended 30<sup>th</sup> September 2025;
- Other relevant data;
- Our regular discussions with management representatives of MSIL
- We have also relied on published and secondary sources of data whether or not made available by the Companies.



## **VALUATION STANDARDS FOLLOWED AND PROCEDURES ADOPTED FOR VALUATION**

- We have performed the valuation analysis, to the extent possible, in accordance with ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India ('IVS'). IVS 301 on Business Valuation deals with valuation of a business or business ownership interest (i.e., it includes valuation of equity shares).
- In connection with this exercise, we have adopted the following procedures to carry out the valuation analysis:
  - Requested and received relevant data from the Management
  - Discussions with the Management on understanding of the businesses of the Company
  - Obtained and analyzed data available in public domain, as considered relevant by us
  - Obtained and analyzed market prices and other data involving equity shares of MSIL and of comparable companies, as applicable and relevant
  - Selection of valuation approach and valuation methodology/ (ies), in accordance with IVS, as considered appropriate and relevant by us
  - Determination of value per equity share of MSIL, as relevant
  - Preparation and issuance of this valuation report.

## VALUATION APPROACHES AND METHODOLOGIES

- For the purpose of valuation, it is necessary to select an appropriate basis of valuation amongst the various valuation techniques. It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. The application of any particular method of valuation depends upon various factors including the size of company, nature of its business and purpose of valuation. Further, the concept of valuation is all about the price at which a transaction takes place i.e., the price at which seller is willing to sell and buyer is willing to buy. Accordingly, a fair and reasonable approach for valuing the shares of the company is to use a combination of relevant and applicable valuation methods.
- As per Regulation 165 of the ICDR Guidelines, “Where the shares of an issuer are not frequently traded, the price determined by the issuer shall take into account the valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies. Provided that the issuer shall submit a certificate stating that the issuer is in compliance of this regulation, obtained from an independent valuer to the stock exchange where the equity shares of the issuer are listed”. In light of this Regulation, we have assessed the value of shares of the Company under various applicable valuation methodologies.

As per Regulation 166A of the ICDR Guidelines, “Any preferential issue, which may result in a change in control or allotment of more than five percent 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.

Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be, 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.

- IVS 301 read with IVS 103 specifies that generally the following three approaches for valuation of business / business ownership interest are used:
  - Cost Approach
  - Market Approach
  - Income Approach

### **Cost Approach – Net Asset Value (NAV) method**

- The value under cost approach is determined based on the underlying value of the assets which could be on book value basis, replacement cost basis or on the basis of realizable value. Under NAV method, total value of the business is based either on net asset value or realizable value or replacement cost basis. Considering the fact that equity shares of the Company are not frequently traded, we have considered the NAV method to determine the value of shares of the Company.

### **Income Approach – Discounted Cash Flows (DCF) method**

- Under the Income Approach, business is valued by converting maintainable or future amount of cash flows to a single current amount either through discounting or capitalization. DCF Method seeks to arrive at the value of the business based on its future cash flows generating capability and the risks associated with the said cash flows. FCFE or free cash flows to the firm (“FCFE”) represents the cash available for distribution to both the owners and the creditors of the business. Risk-adjusted discount rate or Weighted Average Cost of Capital (“WACC”) is applied to free cash flows in the explicit period and that in perpetuity. Adjustments pertaining to debt, surplus/non-operating assets including investments, cash & bank balance and contingent assets/liabilities and other liabilities, as relevant, are required to be made in order to arrive at the value for equity shareholders. The total value for the equity shareholders so arrived is then to be divided by the number of equity shares to arrive at the value per equity share of the company.

We have considered Discounted Cash Flows (DCF) method under the income approach as business projections of MSIL and other relevant inputs and assumptions were made available to us by the Management of the Company.

### **Market Approach – Market Price method**

- Under the Market Price method, the market price of an equity shares as quoted on a recognized Stock Exchange is normally considered as the value of the equity shares of that company, where such quotations are arising from the shares being regularly and frequently traded. Generally, market value is reflective of the investors' perception about the actual worth of the company. However, in certain situations, the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. We understand that the shares are infrequently traded at BSE Limited.
- Regulation 164(5) of Chapter IV of SEBI ICDR Regulations reads as under-  
For the purpose of this Chapter, "Frequently traded shares" means shares of the issuer, in which the traded turnover on any recognized stock exchange during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of the shares of the issuer.

Explanation: For the purpose of this regulation, 'stock exchange' means any of the recognized 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."

The equity shares of the Company are traded on the BSE. However, as per Explanation to regulation 164(5) of the SEBI ICDR Regulations, the exchange on which higher trading volume of equity shares during the preceding 90 trading days prior to the relevant date, is recorded, is to be considered for the pricing computation.

Since, MSIL is a listed company and equity shares of MSIL are traded on BSE Limited, we have considered Market Price method to determine the value of equity shares of MSIL. However, the shares of the Company do not have a trading history of 240 days and the overall turnover is less than 10% of the outstanding share capital. We therefore understand that the shares of the Company are infrequently traded. We have therefore considered Market Price method as one of the methods to determine the value of equity shares of the Company and not the primary method (considering applicability). We have been informed by the Management that the relevant date to be considered by us is as of 09<sup>th</sup> January 2026.

### **Market Approach - Comparable Companies' Multiple (CCM) method**

- Under CCM Method, the value of shares of the subject company is determined on the basis of multiples derived from valuations of comparable companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. The Comparable Companies' Multiple Method arrives at the value of the company by using multiples derived from valuations of comparable companies, as manifest through stock market valuations 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 valuation. Relevant multiples need to be chosen carefully and adjusted for differences, such as growth potential, past track record, size, company dynamics, etc.
- Management has confirmed that there are no adequate comparable companies as compared to the business profile, size, etc. of the Company. We have therefore not considered CCM method. Additionally, the Company has reported inconsistent revenue from operations as of the relevant date, thus making the method unsuitable for the said purpose.

For arriving at the value per equity share of MSIL and considering valuation inputs available for determining valuation under NAV method, DCF method and Market Price method, we have applied appropriate weights to arrive at the value per equity share of MSIL. We have therefore assigned 10% weightage to value under Market Price method, 20% weightage to value under NAV method and 70% weightage to value under income approach.

## SCOPE LIMITATIONS AND DISCLAIMERS

- Valuation analysis and results are specific to the purpose of valuation mentioned in this report as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date.
- We owe responsibility to only the management of the client that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this valuation report. Our valuation report cannot be used for any other purpose. This report has been prepared only for the sole use and information of MSIL. Without limiting the foregoing, we understand that MSIL may be required to submit this report to the regulatory authorities/ stock exchanges in connection with the Proposed Transaction.
- Our analysis is based on the market conditions and the regulatory environment that currently exists. However, changes to the same in the future could impact the company and the industry it operates in, which may impact our valuation analysis.
- We are not responsible for updating this report because of any events or transactions occurring subsequent to the date of this report.
- We have considered and relied on the information provided to us by the Management including financial information, significant transactions and events occurring subsequent to the balance sheet date. We understand that the information provided to us and the representations made to us (whether verbal or written) are reliable and adequate. We have derived our conclusions and recommendation from the information so provided and we are thus reliant on the given information to be complete and accurate in every significant aspect. We are made to believe that the Management have informed us about all material transactions, events or any other relevant factors which are likely to have an impact on our valuation recommendation.
- In the ultimate analysis, valuation will have to capture the exercise of judicious discretion by the Valuer and judgment taking into account all the relevant factors. There will always be several factors which are not evident from the face of the financial statements, but which will strongly influence the worth of a share. Examples of such factors include quality and integrity of the management, capital adequacy, asset quality, earnings, liquidity, size, present and prospective competition, yield on comparable securities and market sentiment, etc. This concept is also recognized in judicial decisions.

- This Report does not look into the business/ commercial reasons behind the transaction. We have no present or planned future interest in the company and the fee for this engagement is not contingent upon the values reported herein. Our valuation analysis should not be construed as an investment advice. We do not express any opinion on the suitability or otherwise of entering into any transaction with the Company
- Any discrepancies in any annexure between the total and the sums of the amounts listed are due to rounding-off.



## VALUATION ANALYSIS AND CONCLUSION

- The value per equity share of MSIL are based on the various approaches/ methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations. We have independently applied methods discussed above, as considered appropriate, i.e., Market Price method, DCF method and NAV method for determining value per share of MSIL, as applicable and relevant.
- In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this Report for the proposed transaction, in our opinion, we recommend the fair value of equity shares of MSIL at **INR 9.85 per equity share**, computed as below.

<b>Valuation of equity shares of MSIL</b>		
Particulars	Value per share (INR)	Weight (%)
Asset approach - NAV method	2.35	20.00%
Income approach - DCF method	10.02	70.00%
Market approach - VWAP	23.71	10.00%
<b>Value per share (INR)</b>	<b>9.85</b>	

Yours truly,



**Rashmi Shah FCA**  
 Registered Valuer (SFA)  
 IBBI Reg. No.: IBBI/RV/06/2018/10240  
 Place: Mumbai  
 Date: 15<sup>th</sup> January, 2026  
 ICAI UDIN: 26123478CQUTWW8773

***Enclosed:***

***Annexure I:*** Determination of value of equity shares of MSIL using NAV method;

***Annexure II:*** Determination of value per equity share of MSIL using Market Price method;

***Annexure III:*** Determination of value per equity share of MSIL using DCF Method.



**Annexure I - Determination of value of equity shares of MSIL using NAV method**

We have considered NAV method to determine the value per equity share of MSIL.

Refer to the valuation workings below:

**Valuation of equity shares of MSIL using NAV method as of 30<sup>th</sup> September 2025**

<b>Particulars (Amount in INR Lakhs)</b>	<b>Book Value</b>	<b>Fair Value</b>
<b>Assets</b>		
Property, Plant and Equipment	0.09	0.09
Trade receivables	713.67	713.67
Cash and Cash Equivalents	1.09	1.09
Advance Tax/TDS	7.59	7.59
Pre-Paid Expense	2.88	2.88
Duties & Taxes	91.53	91.53
<b>Total Assets</b>	<b>816.84</b>	<b>816.84</b>
<b>Liabilities</b>		
Borrowings (Non-current)	208.88	208.88
Sundry Creditors For Expenses	528.67	528.67
<b>Total Liabilities</b>	<b>737.55</b>	<b>737.55</b>
<b>Net asset Value</b>	<b>79.28</b>	<b>79.28</b>
Number of equity shares		3,380,300
<b>Value per share (INR)</b>		<b>2.35</b>

Based on the above computation, in our opinion the value of equity shares of MSIL is **INR 2.35 per equity share** for the said Valuation Purpose and as of the said Valuation Date. We have assigned 20% weightage to the value under Asset method considering this method applicable and appropriate considering specifics of the Company.

**Annexure II - Determination of value per equity share of MSIL using Market Price method**

**Valuation of equity shares of MSIL using Market Price method using 3 - months VWAP**

Date	No.of Shares	Total Turnover (Rs.)
Thursday, October 9, 2025	925.00	18,259
Friday, October 10, 2025	100.00	1,115
Monday, October 13, 2025	300.00	3,510
Tuesday, October 14, 2025	100.00	1,228
Wednesday, October 15, 2025	100.00	1,289
Thursday, October 16, 2025	100.00	1,314
Friday, October 17, 2025	100.00	1,340
Monday, October 20, 2025	600.00	8,196
Tuesday, October 21, 2025	100.00	1,393
Thursday, October 23, 2025	200.00	2,840
Friday, October 24, 2025	300.00	4,344
Monday, October 27, 2025	6,880.00	1,01,548
Tuesday, October 28, 2025	1,000.00	15,050
Wednesday, October 29, 2025	451.00	6,922
Thursday, October 30, 2025	500.00	7,825
Friday, October 31, 2025	101.00	1,611
Monday, November 3, 2025	1,200.00	19,524
Tuesday, November 4, 2025	300.00	4,977
Thursday, November 6, 2025	1,401.00	23,704
Friday, November 7, 2025	6,043.00	1,04,241
Monday, November 10, 2025	1,200.00	21,108
Tuesday, November 11, 2025	3,196.00	57,336
Wednesday, November 12, 2025	2,126.00	38,884
Thursday, November 13, 2025	7,426.00	1,38,494
Friday, November 14, 2025	6,993.00	1,33,006
Monday, November 17, 2025	8,628.00	1,67,383
Tuesday, November 18, 2025	100.00	1,978
Wednesday, November 19, 2025	1,405.00	28,338
Thursday, November 20, 2025	4,000.00	82,280
Friday, November 21, 2025	20,739.00	4,35,104
Monday, November 24, 2025	3,450.00	73,795
Tuesday, November 25, 2025	500.00	10,905

<b>Date</b>	<b>No.of Shares</b>	<b>Total Turnover (Rs.)</b>
Wednesday, November 26, 2025	104.00	2,312
Thursday, November 27, 2025	704.00	15,966
Friday, November 28, 2025	304.00	7,031
Monday, December 1, 2025	200.00	4,718
Tuesday, December 2, 2025	100.00	2,406
Wednesday, December 3, 2025	200.00	4,908
Thursday, December 4, 2025	200.00	5,006
Friday, December 5, 2025	104.00	2,655
Monday, December 8, 2025	41,190.00	10,31,568
Tuesday, December 9, 2025	6,102.00	1,61,886
Wednesday, December 10, 2025	104.00	2,814
Thursday, December 11, 2025	204.00	5,630
Friday, December 12, 2025	7,809.00	2,19,823
Monday, December 15, 2025	104.00	2,985
Tuesday, December 16, 2025	350.00	10,248
Wednesday, December 17, 2025	204.00	6,091
Thursday, December 18, 2025	301.00	9,165
Friday, December 19, 2025	750.00	23,287
Monday, December 22, 2025	203.00	6,429
Tuesday, December 23, 2025	100.00	3,230
Wednesday, December 24, 2025	33.00	1,087
Friday, December 26, 2025	2.00	67
Monday, December 29, 2025	100.00	3,426
Tuesday, December 30, 2025	3,100.00	1,08,314
Wednesday, December 31, 2025	2,655.00	94,597
Thursday, January 1, 2026	102.00	3,706
Friday, January 2, 2026	170.00	6,300
Monday, January 5, 2026	200.00	7,560
Tuesday, January 6, 2026	100.00	3,855
Wednesday, January 7, 2026	200.00	7,864
Thursday, January 8, 2026	11,656.00	4,67,405
<b>Total</b>	<b>1,58,219</b>	<b>37,51,180</b>
<b>VWAP - 3 months</b>	<b>23.71</b>	

The 3 month Volume Weighted Average Price is **INR 23.71 per equity share**. We have assigned 10% weightage to the value under Market Price method considering this method applicable and appropriate considering specifics of the Company.

**Annexure III – Determination of value per equity share of MSIL using DCF Method**

We have used the Discounted Cash Flows (DCF) method to determine the fair value of equity shares of Magnus Steel & Infra Limited. Considering the DCF method, the value per share is **INR 10.02 per equity share**. We have assigned 70% weightage to the value under DCF method considering these method applicable and appropriate considering specifics of the Company. Our valuation recommendation has been determined using financial projections from 01<sup>st</sup> October 2025 to 31<sup>st</sup> March 2030. Additionally, we have obtained other information and explanations considered necessary for the said Valuation Purpose.

The valuation workings are as below:



## Valuation using Discounted Cash Flows (DCF) method

Particulars	Units		1-Oct-25 to 31-Mar-26	01-Apr-26 to 31-Mar-27	1-Apr-27 to 31-Mar-28	01-Apr-28 to 31-Mar-29	1-Apr-29 to 31-Mar-30	Perpetuity
			6.00	12.00	12.00	12.00	12.00	
Revenue from operations	INR Mn		117.67	283.58	354.48	407.65	434.15	455.86
% y-o-y growth	%				25.00%	15.00%	6.50%	5.00%
Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)	INR Mn		26.31	62.89	75.86	82.16	80.44	84.46
% EBITDA margin	%		22.36%	22.18%	21.40%	20.15%	18.53%	18.53%
Cash inflows	INR Mn		26.31	62.89	75.86	82.16	80.44	84.46
Cash outflows								
Incremental working capital	INR Mn		25.43	43.86	43.82	46.28	53.50	56.17
Capital expenditure	INR Mn		0.20	0.20	0.50	0.30	0.50	0.53
Income tax on operating profits	INR Mn		6.62	15.82	19.07	20.65	20.21	21.12
Total cash outflows	INR Mn		32.25	59.87	63.40	67.24	74.21	77.82
Net cash flows	INR Mn		-5.93	3.02	12.47	14.92	6.23	6.63
Discounting factor		16.00%	0.96	0.86	0.74	0.64	0.55	
Present value of discounted cash flows	INR Mn		-5.72	2.60	9.26	9.56	3.44	
Sum of present value of cash flows (A)	INR Mn	19.14						
Perpetuity value	INR Mn	60.31						
Present value of perpetuity value (B)	INR Mn	33.30						
Enterprise value (A+B)	INR Mn	52.44						
Add: Stub Period adjustment	INR Mn	2.20						
Adjusted enterprise value	INR Mn	54.64						
Less: Debt	INR Mn	-20.89						
Add: Cash and equivalents	INR Mn	0.11						
Equity Value	INR Mn	33.86						
Number of equity shares	Number	3,380,300						
Value per share	INR	10.02						



Based on DCF method, the value per equity share is **INR 10.02 per equity share**. Based on appropriateness and applicability of the case, we have assigned 70% weightage to the value derived under DCF method.

<<End of Report>>

