

Valuation report of Sky Gold Limited

Report Date –19-06-2024

Valuation Date – 12-06-2024

Sky Gold Limited

Table of Contents	Page No.
Purpose of Valuation	3
Overview of Sky Gold Limited & Industry Overview	4-5
Sources of Information & Procedure adopted	6
Caveats, Exclusions & Limitations	7-8
Distribution of Report	9
Valuation Methodology & Method Adopted	10-11
Annexure-1 Comparable Companies Multiple	12-13
Annexure- 2 Net Asset Value	14
Annexure -3 Market Price Method	15-17
Conclusion	18

Sky Gold Limited

Sumit R Jain & Co –
Chartered Accountants,
Registered Valuer,, SFA, IBBI
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19th June 2024

Board of Directors,
Sky Gold Limited
Plot No. D-222/2,
TTC Industrial Area,
MIDC Shirawane,
Navi Mumbai, Darave,
Thane, MH – 400706

Dear Sirs,

Sub: Valuation of Equity Shares to arrive at the minimum price for the preferential issue as per Preferential Issue Regulations in Chapter V of SEBI (ICDR) Regulations, 2018 (updated).

Engagement: I've been appointed by Sky Gold Limited (also known as "Sky Gold" or "SKL" or "the Company" or "Issuer Company") through a letter dated 04th May 2024, to determine the floor price of Equity Shares (referred to as "the Securities") of SKL, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations" or "SEBI (ICDR) Regulations, 2018").

Proposed Acquisition: The Company has approved the acquisition of 100% shareholding of Sparkling Chains Pvt Ltd ("Target Company") & Star Mangalsutra Pvt Ltd, ("Target Company") for at total consideration of INR 26 Crores & INR 23.98 Crores respectively and consideration to be paid in terms of Equity Shares of the Company.

Purpose of Valuation: The Company intends to issue the Securities to an identified investor on a preferential basis and thus needs to determine the floor price of its Securities as per the SEBI (ICDR) Regulations, 2018.

Trading Activity: The equity shares of Gold Limited are frequently traded, in accordance with Regulation 164(5) of the SEBI (ICDR) Regulations, 2018.

Relevant Date: The valuation report is prepared considering 12th June 2024, as the relevant date, as required by Regulation 164 of Chapter V of SEBI (ICDR) Regulations, 2018 (as amended).

Valuation Conclusion: The fair value of equity shares for preferential allotment by Gold Limited is determined to be Rs. 1195.6 as per the valuation report issued.

Report Overview: The report provides a comprehensive assessment of the fair valuation of equity shares of Gold Limited as of the Valuation Date, including the relevant considerations taken into account during the valuation process

For Sumit R Jain
Chartered Accountants

Prop.

Membership no.177528
Registered valuer no. IBBI/RV/07/2021/14262
Udin:24177528BJZYIM1570



Sky Gold Limited

Sky Gold Limited.

Sky Gold Limited is engaged in the business of designing, manufacturing, and marketing gold jewellery. The co. follows a B2B model where the products are mainly sold to mid-range jewellers and boutique stores who sell these products through online platforms and retail stores.

Product Portfolio

The Company mainly deals in 22 Karat gold jewelry, offering a wide variety of designs to suit the preferences of the end customer. They provide an extensive range of designs and also use studded American diamonds and/or colored stones in many of their jewelry products.

Client Base

The company has reputed clients like Malabar Gold, Joyalukkas, S R gold, etc and now the company further added Reliance and Tanishq as its new customers.

Investments

The company has investments in equity shares of HDFC Ltd, HDFC Bank & TCS. Market Value of such investments as on 31st March 2024 was ₹ 90.55 Crores

Manufacturing & Distribution

The Co manufacturing unit is located in the heart of Mumbai City in Mulund (West) where it casts its jewelry. It also has a central sales office at Kalbadevi and branch offices in Kerala and Telangana

Expanding to US Market

The Co launched its own brand in the USA retail market by itself and/or its Subsidiary in collaboration with M/s. Varanium Inc., USA in Gold Jewellery Products

Shareholding Pattern of the Company (Based on latest Shareholding filed with stock exchanges):

Sr. No	Description	No. of Shareholders	Total Shares	% of Equity
1	Promoters and Promoter Group	9	8117656	61.32%
2	Public	14427	5119549	38.68%
Total		14436	13237205	100%

Capital Structure of the Company as on 12-06-2024:

Authorised Share Capital	Amount (Rs)
1,50,00,000 Equity shares of Rs. 10/- each	15,00,00,000
Total	15,00,00,000

Issued, Subscribed & Paid-up Share Capital	Amount (Rs)
1,32,37,205 Equity shares of Rs. 10/- each fully paid-up	13,23,72,050
Total	13,23,72,050



Sky Gold Limited

Industry Overview

- In 2024, the revenue in the Jewelry market worldwide is projected to reach a staggering US\$310.90bn.
- This market is expected to experience an annual growth rate of 3.53%, according to the compound annual growth rate (CAGR) for the period 2024-2028.
- When compared to other countries, in India leads the pack in terms of revenue generation in the Jewelry market, with an estimated revenue of US\$81,260m in 2024.
- To put things into perspective, in 2024, each person on average is expected to contribute US\$40.12 to the overall revenue in the Jewelry market.
- Looking ahead, it is projected that 88% of sales in the Jewelry market by 2024 will be attributed to Non-Luxury.
- This indicates a dominance of affordable and accessible jewelry products in the market.
- Overall, the Jewelry market is a thriving and lucrative market worldwide, with significant revenue potential and a strong presence in countries like in India.
- The growth prospects, as indicated by the CAGR, suggest a positive trajectory for the industry in the coming years.

- Worldwide, the jewelry market is thriving with a resurgence in demand for vintage and antique pieces, particularly in countries like Italy and France known for their rich cultural heritage.

REGISTERED VALUER – Sumit R Jain., Chartered Accountants

SUMIT R JAIN, Chartered Accountants,, located at 002, 8/A, Ashok Nagar, Bhiwandi, District-Thane, Maharashtra-421302. Sumit R Jain is providing valuation advisory services. I am a practicing Chartered Accountant and I am also registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class – 'Securities or Financial Assets' with Registration No. [IBBI/RV/07/2021/14262].

Disclosure of Valuer Interest or Conflict

I hereby declare that I am independent of company 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 any manner. I also confirm that this engagement shall be in compliance with the model code of conduct issued by IBBI vide valuation rules.



Sky Gold Limited

Sources of Information

The report is prepared based on the following information:

- Audited consolidated financial statements of SKL for the financial year ending March 2022 & March 2023;
 - Unaudited consolidated financial statements of SKL for the financial year ending March 2024,
 - Limited Review Quarterly Financial Results of SKL for the quarter ending June 2023, Sept 2023, Dec 2023 & March 2024; -
 - Copy of Memorandum of Association ("MoA") and Articles of Association ("AoA") of ACL;
 - Information provided by leading database sources and available in public domain; and
 - Other relevant data and information provided to us, whether in oral or physical form or in soft copy, and discussions with the representatives of the Client..
- The Client has been provided with the opportunity to review the draft Report (without numbers) as part of our standard practice to make sure that factual inaccuracies/omissions of the information are avoided in our final Report; and
 - Issue of final report.

Procedure adopted

In connection with the valuation exercise of the Company, we have adopted the following procedures:

- Obtained data available in public domain;
- Understood the business and fundamental factors that affect its earning-generating capability and historical financials;
- Considered ICDR Regulations.
- Selection of appropriate internationally accepted valuation methodologies after careful deliberations. Our valuation and this report are based on the premise of "going concern" value. Any change in the valuation base, or the premise could have significant impact on the outcome of the valuation exercise, and therefore, this Report.
- Determination of floor price of Securities of the Company as on the Valuation Date.



Sky Gold Limited

CAVEATS, EXCLUSIONS & LIMITATIONS.

- Our valuation is based purely on financial parameters and does not take into consideration the market value or realizable value of fixed assets including land building machinery etc. Our valuation does not attempt to value any intangible like goodwill, brand value etc.
- Our work is neither, nor it should be construed as, our opinion on/ or certification of compliance by the Company with the provisions of any law including Companies, Foreign Exchange, Taxation and Capital market related laws or as regards any legal implications or issues arising thereon.
- The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the Valuation Date. An analysis of such nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the Valuation Date/date hereof. Events occurring after the date hereof 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.
- The conclusion rendered in this report is based upon information available from the Management till current date. Although every scientific method has been employed in systematically arriving at the value, there is no indisputable single value. Further, the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. While we have provided our assessment of fair market value based on the information available to us and within the scope and constraints of our engagement, and we consider the valuation to be both reasonable and defensible based on the information available, others may place a different value. While we normally express our assessment as falling within a likely range, as per requirements of this Engagement, we are providing a single value.
- The accuracy of information made available till date is the responsibility of the Management. We are not legal or regulatory advisors with respect to legal and regulatory matters for the Transaction. We do not express any opinion or offer any form of assurance regarding the accuracy and completeness of the financial information or other information provided to us.
- A draft of this report was shared with the management for confirmation of facts and other inputs provided by the management. The draft report has been duly confirmed by them for the facts etc.



Sky Gold Limited

CAVEATS, EXCLUSIONS & LIMITATIONS.

- The Report assumes that Sky Gold Limited complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that Sky Gold Limited will be managed in a competent and responsible manner.
- We are independent of the Client and have no current or expected interest in the Company or its assets. The fee paid for our services in no way influenced the results of our analysis.
- Our conclusions are based on information provided by the management and based on the representation by them. We assume no responsibility for any errors in the information furnished to us, and their impact on the report. However, nothing has come to our attention to indicate that the information provided was materially mis-stated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the companies, their directors, employee or agents.
- We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and/or reproduced in its proper form and context.
- We owe responsibility to only Management which has retained us, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.
- The valuation report is tempered by the exercise of judicious discretion by the Valuer, taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.
- This Report is subject to the laws of India.



Sky Gold Limited

DISTRIBUTION OF OUR REPORT.

- Our Report has been prepared solely for use by you in connection with the purpose indicated above and should not be relied upon for any other purpose. It is not to be used (other than for the purpose outlined), referred to or distributed for any other purpose or to any other person without our written consent. Consequently, except to the extent mandatorily required by the laws of India, you should not make our report available or otherwise disclose our report unless we have specifically agreed with you and that party, in writing, the basis on which our report may be made available and which we may give or withhold at our absolute discretions. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any other party to which the report is disclosed or otherwise made available or is used for any purpose other than that indicated in this report.
- This report is not to be referred to or quoted, in whole or in part, in any offering memorandum, prospectus, registration statement, public filing, loan or other agreement or document without our express written approval, which may require that we perform additional work. (Valuer co.) accepts no duty, obligation, liability or responsibility to any party, other than Management, with respect to the services and/ or this report.

In no event shall we be liable for any loss, damage, cost or expense arising in any way from fraudulent acts, misrepresentation or willful default on the part of Management, their directors, employee or agents. In no circumstances shall the liability of Valuer or its employees, relating to services provided in connection with this engagement exceed the amount paid to us in respect of the fees charged for those services.

I would like to record our appreciation for the courtesy and co-operation received by us during the course of our work.

For Sumit R Jain
Chartered Accountants

Prop.
Membership no.177528
Registered valuer no. IBBI/RV/07/2021/14262
Udin:24177528BJZYM1570



Sky Gold Limited

COMPANY VALUATION APPROACH

Valuation is carried out adopting the internationally accepted pricing methodology. Following are the generally accepted pricing methods:

1. **Asset/Cost Approach:** Utilizes the Summation Method, focusing on asset values, particularly suitable for investment entities.
2. **Profit Earning Capacity Value (PECV) Approach:** This method of valuation presumes the continuity of the business and uses the past earnings to arrive at an estimate of future maintainable profits (FMP). For the purpose of the calculating PECV of shares, commonly accepted approach is to capitalize weighted average of past earnings, at an appropriate rate of capitalization, to arrive at the fair value per share.
3. **Market Approach:** Utilizes market-derived data for valuation. Under this approach:
 - **Market Price Method:** Considers the market price of listed companies' equity shares as the fair value, reflecting investor perceptions.
 - **Comparable Companies Multiple Method (CCM):** Determines value based on multiples derived from valuations of comparable listed companies, reflecting informed market valuations. Adjustments are made for contingent assets/liabilities, surplus assets, and dues payable to preference shareholders to arrive at value for equity shareholders.
 - **Comparable Transactions Multiple Method (CTM):** Estimates company value by analyzing recent market transactions of similar companies under similar circumstances. Relevant multiples are carefully selected and adjusted.

Valuation of the Company

The Summary of conclusion on valuation approaches is given below:

1. **Cost Approach:** This valuation approach is mainly used in case where the assets base dominates earnings capability. Since the true worth of the company shall be reflected in future earning potential therefore, we have not considered the cost approach for arriving at the equity value of the Company..
2. **Profit Earning Capacity Value (PECV) Approach :** This method estimates the fair value of shares based on the business's ability to generate future maintainable profits (FMP). It uses the weighted average of past earnings, capitalized at an appropriate rate, to determine this value
3. **Market Approach:** As stated in the previous section, we have to determine the floor price of Securities of the Company, as per the relevant provisions of ICDR Regulations as applicable, which are as follows:

Key applicable provisions of ICDR Regulations

- As per Regulation 164 (1) - for frequently traded shares, the floor price of the equity shares to be allotted pursuant to preferential issue shall be higher of 90/10 trading days' volume weighted average price (VWAP) of the scrip preceding the relevant date.



Sky Gold Limited

- As per first proviso to Regulation 164 (1) - Provided that if the Articles of Association of the issuer provide for a method of determination which results in a floor price higher than that determined under these regulations, then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue.
- As per Regulation 166A (1) – An additional requirement for a valuation report from an independent registered valuer shall be required in case of change in control/ allotment of more than 5% of post issue fully diluted share capital of the issuer company to an allottee or to allottees acting in concert. The same shall be considered for determination of floor price in addition to the methodology brought out above.
- 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.
- As per Regulation 164(5) - frequently traded shares” means the 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 shares of the issuer.
- As per Regulation 161- the ‘relevant date’ in case of preferential issue of equity shares means the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue.

Methodology Adopted:

- For the purpose of the present valuation exercise, we have considered fit to use Market approach for determining the fair value of Equity



Sky Gold Limited

Annexure I- Comparable Companies' Multiple (CCM)

Methodology Description: The Comparable Companies Multiple (CCM) method determines value by analyzing multiples derived from comparable companies' valuations, typically observed through stock market data of listed companies.

Market Valuation Principle: This method relies on the belief that market valuations, driven by transactions between informed buyers and sellers, incorporate all pertinent factors necessary for accurate valuation.

Careful Multiple Selection: Relevant multiples are chosen with care, ensuring they accurately reflect the circumstances of the companies being compared, and adjustments are made to account for any differences.

Adjustments for Equity Shareholder Value: After determining the business value using CCM, adjustments are necessary to arrive at the value specifically attributable to equity shareholders. These adjustments encompass:

- Contingent assets/liabilities: Accounting for potential future assets or liabilities that could affect the company's financial position.
- Surplus Assets: Considering any excess assets beyond what is essential for core operations.
- Dues Payable to Preference Shareholders: If applicable, accounting for any outstanding obligations to preference shareholders to accurately reflect the value available to equity shareholders

Value based on EV/EBITDA Multiple Method

The broad steps followed to derive a value based on EBITDA under this method are mentioned hereunder-

- We have analyzed the EV/EBITDA multiple of the Company vis-à-vis comparable companies.
- To arrive at valuation of the Company as CCM Method we have considered reported EBITDA for March 2024.
- The EV/EBITDA multiple of 20.9x is considered to arrive at Enterprise Valuation.
- The Enterprise Value so arrived is adjusted for Debt Outstanding, minority interest, and other adjustments including Cash & Cash equivalents, other surplus assets etc. as on 31st, March 2024 to arrive at Equity Valuation.
- Equity Valuation of the Company is arrived at INR 1288.2 Crores and Value per share is arrived at INR 973.2.

In Crores	
Particulars	Mar-24
Net Revenue	1,745.5
EBITDA	77.3
EV/EBITDA Multiple (Refer Note 1)	20.9
Add/Less : Premium (Discount) on account of small size of operations	10.00%
Adjusted EV/EBITDA Multiple	18.8
Enterprise Value	1,451.2
Less: Debt	-330.3
Add: Cash & Cash Equivalents	76.8
Add: Surplus	90.6
Equity Value	1,288.2
Number of Shares	1,32,37,205.0
Value Per Share	973.2



Sky Gold Limited

Note 1

Comparable Guideline Company	Remarks	EV/EBITDA
Senco Gold	Inlier, Therefore Considered	20.4x
Vaibhav Global	Inlier, Therefore Considered	22.9x
Thangamayil Jewellers	Inlier, Therefore Considered	18.2x
Goldiam International Ltd.	Inlier, Therefore Considered	13.7x
Uday Jewellery Industries	Inlier, Therefore Considered	29.2x
Average EV/EBITDA Multiple		20.9x



Sky Gold Limited

Annexure 2- Net Asset Value Method

Asset-Based Valuation Technique:

- Evaluation based on net assets: book value, realizable value, or replacement cost.

Business View:

- Business seen as assets and liabilities, serving as building blocks for valuation.

Value Determination:

- Business value derived from the difference between asset and liability values.

Method Limitations:

- Recognizes limitations: historical cost focus, lacks consideration of present earnings, and peer performance.

Minimum Proxy Value:

- Net Asset Value provides a minimum proxy value for the company.

Valuation Premise:

- Going Concern basis assumed, indicating ongoing business operations.

Replacement Values Exclusion:

- No determination of replacement values for assets, given the absence of anticipated asset realization.

We have considered the unaudited financial statements as of 31st March 2024 and calculated the value of shares as per book value method.

The details of the same are as follows:-

Net Asset Value	31-03-2024
Amount in Crores	Mar-24A
Non Current Assets	
Fixed Assets	36
Net Fixed Assets	36
Total Non Current Assets- (A)	36
Current Assets	
Cash	77
Accounts Receivable	102
Inventories	266
Other Assets	14
Total Current Assets-(B)	459
Surplus Assets-(C)	91
Total Assets-(A+B+C)	586
Non Current Liabilities	
Debt	330
Total Non Current Liabilities- (D)	330
Current Liabilities	
Accounts Payable & Other Liabilities	11
Total Current Liabilities- (E)	10.8941
Total Liabilities- (D+E)	341
Net Asset Value (A+B+C)- (D+E)	244
Number of Shares	1,32,37,205
NAV Per Share	184.6



Sky Gold Limited

Annexure 3- Market Price Method

As stated above, the equity shares of the Company are listed on NSE and BSE. There are regular transaction in the equity shares with reasonable volumes. The pricing regulations stated is considered for arriving the price as per market price method.

The equity shares SKL are frequently traded on NSE in terms of Regulation 164(5) of ICDR Regulations, with maximum volume recorded on NSE.

- Therefore, we have considered the share prices quoted on NSE for determining the floor price of the Company. The value per share of the Company as per Regulation 164 (1) of ICDR Regulations, is INR 1195.6 as below

Fair Market Valuation of the Company using the Market Price method under Regulation 164(1)

Particulars	Value Per Share	Annexure
90 Trading Days' VWAP	1142.3	A
10 Trading Days' VWAP	1195.6	B
Higher of the Above	1195.6	

Therefore, as per Regulation 164 (1), the price of the equity share of the Company is arrived as INR 1195.6 per share.

Valuation as per first proviso to Regulation 164 (1) of ICDR Regulations:

As per the AoA of the Company, in case of issue of shares by the Company, the value of such shares shall be determined by a registered valuer. Accordingly, the value to be considered as per first proviso to Regulation 164(1) of ICDR regulation is the value determined by us as per Regulation 166A (1) hereunder i.e., INR 1195.6 per share of the Company

Valuation as per Regulation 166A (1) of ICDR Regulations:

As informed to us by the Client, the allotment of Securities shall not be more than 5% of post issue fully diluted share capital of the issuer company i.e., SKL to an allottee or to allottees acting in concert. Accordingly, an independent valuation by registered valuer has not been undertaken:



Sky Gold Limited

3A. 90 trading days' volume weighted average price (VWAP) of the equity shares of Sky Gold Limited, quoted on the NSE preceding 12th June 2024, (Relevant Date).

Date	Total Volume	Net Turnover
(a)	(b)	(c)
11-06-2024	7902	9871311.85
10-06-2024	7566	9698811.75
07-06-2024	15343	19276508.8
06-06-2024	24359	30267573.70
05-06-2024	35501	41023889.15
04-06-2024	16516	19058216.50
03-06-2024	48234	57022424.4
31-05-2024	31640	37522095.60
30-05-2024	21095	25650550.7
29-05-2024	9322	10620685.00
28-05-2024	14123	16052524.65
27-05-2024	12286	14547377.55
24-05-2024	4877	5849707.45
23-05-2024	13948	16771249.05
22-05-2024	12090	14670766.4
21-05-2024	7597	9531818.45
18-05-2024	2416	3035589.8
17-05-2024	9137	11638073.15
16-05-2024	8980	11462903.1
15-05-2024	18079	22942044.25
14-05-2024	8569	10594467
13-05-2024	17938	20942973.65
10-05-2024	17332	20944216.45
09-05-2024	27011	34833229.15
08-05-2024	22376	30227379.4
07-05-2024	79767	110869626.95
06-05-2024	47248	61335158.4
03-05-2024	57510	73192344.20
02-05-2024	26766	33533783.1
30-04-2024	43012	51112935.60
29-04-2024	29663	33452162.05
26-04-2024	12491	13644481.30
25-04-2024	21149	22775313.45
24-04-2024	14609	15179236.90
23-04-2024	29754	30941742.45
22-04-2024	10431	10978360.15
19-04-2024	6798	7247939.55
18-04-2024	7298	7947283.35
16-04-2024	13059	14208005.2

Date	Total Volume	Net Turnover
(a)	(b)	(c)
15-04-2024	11031	11804159.35
12-04-2024	24379	27948392.15
10-04-2024	14843	16540752.50
09-04-2024	12785	14066190.2
08-04-2024	18761	21122084.75
05-04-2024	19401	22176234
04-04-2024	16462	18214553.30
03-04-2024	9874	10289977.6
02-04-2024	15870	16671181.50
01-04-2024	10990	10912598.75
28-03-2024	13418	12965959.20
27-03-2024	9933	9632271.15
26-03-2024	9618	9408423.60
22-03-2024	23978	23691177.6
21-03-2024	14897	14605503.05
20-03-2024	27932	27279478.9
19-03-2024	9719	9417608.85
18-03-2024	12013	11619408.25
15-03-2024	6780	6770759.80
14-03-2024	24471	23216243
13-03-2024	16164	15277986.45
12-03-2024	29926	29994497.5
11-03-2024	14639	15681334.30
07-03-2024	10463	11312289.95
06-03-2024	15284	16241721.40
05-03-2024	9848	10716571.5
04-03-2024	14505	16458997.20
02-03-2024	16277	18534351.8
01-03-2024	12247	13292506.05
29-02-2024	7327	7530005.55
28-02-2024	13794	14402405.00
27-02-2024	8689	9329378.2
26-02-2024	5379	5849501.95
23-02-2024	10873	11905596.25
22-02-2024	9273	10194681.90
21-02-2024	4894	5491470.4
20-02-2024	7579	8623638.85
19-02-2024	17659	20018606.35
16-02-2024	23498	25826752.05

Date	Total Volume	Net Turnover
(a)	(b)	(c)
15-02-2024	16927	18415698.75
14-02-2024	15475	15958376.75
13-02-2024	23656	24723616.6
12-02-2024	29641	33091143.55
09-02-2024	17835	19430445.6
08-02-2024	41419	46019608.15
07-02-2024	53402	57364193.3
06-02-2024	11507	12846141.60
05-02-2024	29370	32880357.9
02-02-2024	15256	17762966.00
01-02-2024	18057	21047412.4
Total	1661755	1898164283
90 trading days' VWAP preceding Relevant Date, i.e., 12-06-2024 [c] / [b]		1,142.3



Sky Gold Limited

3B. 10 trading days' volume weighted average price (VWAP) of the equity shares of Sky Gold Limited, quoted on the NSE preceding 12th June 2024, (Relevant Date).

Date	Total Volume	Net Turnover
(a)	(b)	(c)
11-06-2024	7902	9871311.85
10-06-2024	7566	9698811.75
07-06-2024	15343	19276508.80
06-06-2024	24359	30267573.7
05-06-2024	35501	41023889.15
04-06-2024	16516	19058216.5
03-06-2024	48234	57022424.40
31-05-2024	31640	37522095.6
30-05-2024	21095	25650550.70
29-05-2024	9322	10620685
Total	217478	260012067.5
10 trading days' VWAP preceding Relevant Date, i.e., 12-06-2024 [c] / [b]		1,195.6



Sky Gold Limited

Annexure 4- Profit Earning Capacity Value (PECV) Approach

The Profit Earning Capacity Value (PECV) approach is a valuation method that estimates the fair value of shares based on the business's ability to generate future maintainable profits (FMP). It uses the weighted average of past earnings, capitalized at an appropriate rate, to determine fair value of equity.

The PECV Method:

- 1.Assumes the business will continue operating.
- 2.Uses historical earnings to predict future profits.
- 3.Applies a capitalization rate to the weighted average of these past earnings to estimate the fair value per share.

Valuation of Equity Shares of Sky Gold Limited as per PECV Method.

In Crores

Particulars	FY 2023-24	FY 2022-23	FY 2021-22	Total
Revenue from Operations	1,745.5	1,153.8	785.6	
Profit Before taxes	54.5	25.0	21.7	101.2
Weights	3	2	1	6.0
Product	163.4	50.1	21.7	235.2
Weighted Average Profit before tax				39.2
Taxes@ 25%				9.8
Future Maintainable Profit				29.4
Capitalisation Rate @ 15%				196.0
No. of Shares				13237205
Fair Value Under PECV Method				148.1

Note- Capitalisation Rate considered at 15% as per CCI Guidelines for manufacturing entities.



Sky Gold Limited

CONCLUSION

On the basis of our fair valuation, the floor Price for preferential issue, in accordance with Regulation 166A and the pricing guidelines under Regulation 164(1), as at 12th June 2024 ("relevant date or Valuation date"), is summarized as under

Sr. No.	Valuation Approach	Valuation Method	Value Per Share. (Rs)	Weights
1	Income Approach	Profit Earning Capacity Value (PECV) Method	148.1 (Annexure 4)	5%
2	Asset Approach	Book Value Method	184.6 (Annexure 2)	5%
3	Market Approach	Comparable Companies Multiple	973.2 (Annexure 1)	5%
4	Market Approach	Market price Method	1195.6 (Annexure 3)	85%

Based on the above table, the Weighted Average Price is INR 1081.6. However, as per Regulation 164 of the SEBI (ICDR) Regulations, 2018, the Minimum Price per Equity Share should be INR 1195.6.

Swap Ratio

Particulars	Sky Gold Limited	Sparkling Chains Pvt Ltd.	Star Mangalsutra Pvt Ltd.
Value Per Share	1195.58	13,132.32	12,113.48
Swap Ratio		10.98	10.13

Sparkling Chains Pvt Ltd.	No. of Shares held	Allocation based on Swap Ratio	Actual Allocation	Differential Fraction	Cash Distribution
Mangesh Chauhan	9900	1,08,742.16	1,08,742.00	0.16	189.21
Darshan Chauhan	9900	1,08,742.16	1,08,742.00	0.16	189.21

Star Mangalsutra Pvt Ltd.	No. of Shares held	Allocation based on Swap Ratio	Actual Allocation	Differential Fraction	Cash Distribution
Mangesh Chauhan	9900	1,00,305.70	1,00,305.00	0.70	6,917.67
Darshan Chauhan	9900	1,00,305.70	1,00,305.00	0.70	6,917.67

