

Valuation of Equity Shares

of

Ranicherra Tea Company Limited

Conducted By

LSI Financial Services Pvt. Ltd



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List of Abbreviations Used

BS	Balance Sheet
CAGR	Compound Annual Growth Rate
NAV	Net Asset Value
NSE	National Stock Exchange
PAT	Profit After Tax
PECV	Price Earning Capacity Value
PL	Profit & Loss
RTCL	Ranicherra Tea Company Limited

1. Introduction

Ranicherra Tea Company Limited was incorporated on 22nd December 1908. It is registered as a Non-govt Company with the Registrar of Companies, Kolkata.

The present Authorized Capital of the Company is Rs. 3,00,00,000/- (30,00,000 Equity Shares of Rs. 10 /- each). Paid Up capital of the Company is Rs. 2,60,00,000 /- (26,00,000 equity shares of face value Rs. 10 each).

The Company Identification Number of Ranicherra Tea Company Limited is L01132WB1908PLC001893 and the registered office is situated at Matelli Jalpaiguri, West Bengal - 735223.

The Board of Directors and Key Managerial Personnel (KMP) of the Company consists of:

Sl No	Name	Designation	DIN/PAN
1.	Bintu Agarwala	Director	08.09.2021
2.	Sonal Agarwala	Director	08.09.2021
3.	Pratik Bhansali	Director	08.09.2021
4.	Shyam Kumar Goel	Director	15.11.2007
5.	Tansukh Rae Goel	Director	21.08.2025
6.	Pradeep Kumar Goel	Managing Director	18.02.2006

2. Objective of the Valuation Report

The main objective to have the shares of Ranicherra Tea Company Limited valued is to arrive at a fair valuation of its shares. Accordingly, RTCL has appointed LSI Financial Services Pvt. Ltd. (LSI) as Merchant Banker and LSI has carried out the present valuation as part of the Merchant Banking assignment.

3. Brief Overview of Ranicherra Tea Company Limited.

3.1. Company Profile

Name	Ranicherra Tea Company Limited
Registration Number	001893
Date of Incorporation	22/12/1908
Sector	Manufacturing tea and tea leaves
Constitution	Limited Company.
Business	The Company is involved in the business of cultivation, and manufacturing tea and tea leaves.
Financial Year Ending	The Financial Year ends on 31 st of March every year

3.2. Shareholding pattern as on 31.03.2025

List of Shareholders holding more than 5% shares as on 31.03.2025 are as follows:

Sl. No	Name of the Shareholder	No. of Shares held	%age of Shareholding
1.	Mr. Tansukh Rae Goel	5,40,000	20.77%
2.	Mr. Pradeep Kumar Goel	5,00,000	19.23%
3.	Mr. Shyam Kumar Goel	5,00,000	19.23%
4.	Mr. Raj Kumar Goel	5,00,000	19.23%
5.	Mrs. Narayani Devi Goel	4,50,000	17.31%

4. Source of Information

- The write-up in the website denoting the activities and background of Ranicherra Tea Company Limited.
- Audited Accounts for 31st March 2024 & 31st March 2025.

5. Choice of Valuation Methodology

In general, the following valuation methodologies are applied in order to arrive at the fair value of shares of a Company.

- I. Asset Based Approach
- II. Income Based Approach
- III. Market Based Approach

I. Asset Based Approach

The Net Asset Value, as at the latest audited balance sheet date is calculated starting from the total assets of the Company and deducting all liabilities including debts, dues, borrowing, current liabilities, likely contingent liabilities and preference capital, if any. In other words, the value so arrived at should represent the true net worth of the business after providing for all outside present as well as well potential liabilities. The net assets value as calculated from the assets side of the balance sheet in the above manner is cross checked with equity share capital plus free reserves and surplus, less the likely contingent liability.

II. Income Based Approach

Under the income-based approach, audited profits are calculated. The profits are averaged over a two - three years period and capitalized at an appropriately selected rate (normally, the rates as specified in the erstwhile CCI guidelines) to arrive at the value of equity of the Company.

III. Market Based Approach

The market-based approach recognizes that trading price of shares of companies which are traded in stock exchanges reflect the true value that investors assign to the particular scrip.

6. Valuation of Shares of Ranicherra Tea Company Limited

6.1. Valuation based on Net Asset Value Method

The calculation of Net Asset Value of Ranicherra Tea Company Limited (RTCL) is as given below:

Particulars	Amount in Cr. (As on 31.03.2025)
Non - Current Asset	26.29
Current Assets	13.45
Total Assets (A)	39.74
Non - Current Liabilities	12.91
Current Liabilities	5.86
Total O/S Liabilities (B)	18.77
Net Asset Value (C) - (A-B)	20.97

The Net Asset Value represents the value of assets available after meeting the outside liabilities of the Company.

6.2. Valuation based on the Income Approach

In arriving at a value of Ranicherra Tea Company Limited (RTCL) based on the Income Approach, the normalized sustainable income needs to be arrived at. Based on the financials for 31.03.2024 & 31.03.2025, the calculations of the sustainable profits are as presented in the following table:

Ranicherra Tea Company Limited (RTCL)		
(In Rs. Cr.)		
	31.03.2025	31.03.2024
<i>Normalised Income</i>		
Income from Operations	34.02	31.03
Other Operating Income	0.02	0.29
Other Income	0.44	0.08
Total Normalised Income	34.48	31.40
Cost of Material Consumed	15.54	13.09
Manufacturing Expenses	8.10	6.51
Change in Inventories	(1.87)	(0.03)
Employee Benefit Expenses	10.19	9.27
Finance Cost	0.25	0.48
Selling Expenses	0.91	0.53
Depreciation and amortization Expenses	0.73	0.66
Operating & Other Expenses	0.37	0.46
Total Normalised Expenses	34.22	30.97
Normalised Profit Before Tax	0.26	0.43
Normalised Profit After Tax	0.26	0.43
Average Normalised Profit	0.345	
PECV Discounting Rate	15%	
Valuation	2.30	

6.3. Valuation based on Market Approach

The shares of Ranicherra Tea Company Limited (RTCL) have not been traded on the Stock Exchange. Accordingly, no value can be ascribed based on the Market Approach.

6.4. Fair Value of the shares of Ranicherra Tea Company Limited

The values arrived at, based on the Net Asset Value method and the Income Approach method are significantly different and therefore, it would be more prudent to arrive at which is weighted average of the two method, with higher weight being allocated to the PECV Approach Method than NAV method as the Company is profit making Company:

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Method	Weight	Value	Weighted Average
Net Asset Value (Rs in Cr.)	1	20.97	20.97
PECV (Rs. In Cr.	2	2.30	4.60
Weighted Average Equity Value (Rs. In Cr)		8.52	
Weighted Average Equity Value (In Rs)		8,52,33,333	
Total number of Equity Shares		26,00,000	
Value of Equity per share (Rs.)		32.78	

As there may be some illiquid shares, 15% non-liquidity discount is considered to arrive at a fair valuation of the shares of RTCL. The fair value thus calculated is as under: -

Weighted Average Value of Equity per share (Rs.)	32.78
Non-Liquidity Discount	15%
Fair Value of Equity per share (Rs.)	27.86
Equity Value Considered per share (Rs.)	27.86

Hence, the fair value of equity considered per share at **Rs. 27.86**.

7. Conclusion

Based on the above detailed calculation as shown in Section 6, the value of equity has been reasonably calculated to be **Rs. 27.86 per share** for Ranicherra Tea Company Limited. This report is based on information including audited accounts provided to us by the management of the Company and on a going concern basis. We have relied on the representations made to us by the management. We have assumed such representations to be reliable and our conclusions are dependent on such information being complete and accurate in all material respects.

Our findings do not constitute a recommendation as to whether to carry out the transaction based on this valuation. Our work was not designed to verify the accuracy, reliability or achievability of the information provided to us and nothing in this report should be taken to imply that we have conducted procedures, audits or investigations in an attempt to verify any of the information supplied to us.

Date - 17.03.2026

For LSI Financial Services Pvt. Ltd

Place - Kolkata

V.S. Modi

(Director)

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