

To

December 29, 2025

**The Board of Directors,
Ushanti Colour Chem Limited
CIN - L24231GJ1993PLC019444
Reg. Off.: 88/8 GIDC Phase I,
Vatva, Ahmedabad,
GJ 382445, IN**

Dear Sirs/ Madam,

Subject: Valuation of Equity Shares of Ushanti Colour Chem Limited ("UCCL" or "The Company") for the purpose of proposed issue of Convertible Equity Warrants convertible into the Equity Shares of the Company on preferential basis to the identified investors in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2022 as amended ("SEBI ICDR Regulations") and under section 42 & 62(1)(c) of the Companies Act, 2013, read with applicable rules issued thereunder.

The management of Ushanti Colour Chem Limited (hereinafter referred to as "UCCL" or the "Company") has approached and appointed, Den Valuation (OPC) Private Limited, registered valuer (hereinafter referred to as "Den Valuation", "we", "us", "our") on December 22, 2025, to value the Equity Shares of the Company for the purpose of proposed issue of Convertible Equity Warrants convertible into the Equity Shares of the Company on preferential basis to the identified investors.

Based on the discussions that we had and based on the information and documents received from the management of the Company (hereinafter referred to as "**Management**") from time to time, we hereby provide our Report on the valuation of equity shares of UCCL.

1. BRIEF DETAILS OF THE COMPANY

Ushanti Colour Chem Limited is a listed public company incorporated on 12 May 1993, having Corporate Identification Number L24231GJ1993PLC019444. The registered office of the Company is situated at 88/8 GIDC Phase I, Vatva Ahmedabad GJ 382445 IN.

UCCL has plants in Vatva and Saykha, catering to the needs of Cotton textile, Paper, Leather, Paint, Wool, Nylon, Plastic and Ink industries through the full range of Reactive (Ushatron), Direct (Usharect), Acid (Ushacid) dyes.

The Equity Shares of the Company are currently listed on Emerge platform on NSE Limited ("NSE"). They are traded on NSE (Security ID NSE: UCL).

2. PURPOSE, SCOPE OF VALUATION AND ASSET UNDER VALUATION

The Company is proposing to issue Convertible Equity Warrants convertible into the Equity Shares of the Company ("shares") on preferential allotment basis to certain identified persons. The preferential allotment is proposed to be made for consideration in cash.

For this purpose, the fair value of the Company's equity shares quoted on the National Stock Exchange of India Limited has been considered, where the Company's existing equity shares traded at the higher volume.

To issue the equity shares on preferential allotment basis, the Company is required to determine the price at which equity shares should be allotted in accordance with the SEBI ICDR Regulations as amended and its articles of association and under Companies Act, 2013. Further, section 247 of Companies Act 2013 provides statutory backing to the valuation, which requires that in respect of valuation of any property, stocks, shares, debentures, securities or goodwill or any other assets (herein referred to as the assets) or net worth of a company or its liabilities under the provision of the Companies Act, 2013, read with the Companies (Registered Valuers and Valuation) Rules, 2017, it should be valued by a person having such qualification and experience and registered as valuer in such manner as may be prescribed.

In view of the above background, the Registered Valuer understands that the purpose of this Report is to determine the fair value of equity shares of the Company that will be allotted to the investors upon conversion of Warrants in accordance with the requirement of Chapter V of the SEBI ICDR Regulations as amended, Section 42 & 62(1)(c) and Section 247 of the Companies Act, 2013 read with the Companies (Registered Valuers and Valuation) Rules, 2017 and the articles of association of the

Company, which states that when the Company proposes to issue Convertible Equity Warrants convertible into the Equity Shares of the Company, the price of such shares should be determined by the Valuation Report of a Registered Valuer.

Accordingly, we have been engaged by the Company to determine the fair value of the equity shares of the Company at which Convertible Equity Warrants convertible into the Equity Shares of the Company may be issued on a preferential basis in accordance with the applicable laws described above.

Basis of Valuation

This Valuation report is based on the "Going Concern Concept" which assumes that the enterprise shall continue to operate and run its business. In our opinion gives the best estimate of the value of its Business.

Fair Value definition adopted and reported is as follows:

"The Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

Premises of Value

Premise of Value refers to the conditions and circumstances of how an asset is deployed. In the present case, we have performed the valuation of equity shares as mentioned above on a Going Concern basis.

Valuation Date

The relevant date as per Regulation 161 (a) of SEBI ICDR is "*in case of preferential issue of equity shares, the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue*".

The meeting of shareholders is planned for Wednesday, January 28, 2025. Hence, the relevant date is to be considered on Monday, December 29, 2025 as per ICDR

Regulation i.e. 30 days prior to the shareholders' meeting date.

Further as per Regulation 164 (1) of SEBI ICDR Regulations, the valuation date should be the date *preceding the relevant date. Hence, we have taken the valuation date as Friday, December 26, 2025 (preceding trading day to relevant date).*

Going Concern Value

Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of Going Concern Value result from factors such as having a trained workforce, clients base, the necessary systems, software and procedures in place etc.

Identity of Valuer

Den Valuation (OPC) Private Limited, a RVE registered with IBBI having Regd. No. IBBI/RV-E/06/2021/146 under Companies (Registered Valuers & Valuation) Rules, 2017 has been appointed to carry out valuation of equity shares of Ushanti Colour Chem Limited to arrive fair value of its equity shares.

Valuation Date

The Valuation date is considered as December 26, 2025.

Pecuniary Interest Declaration

We do not have pecuniary interest in the shares of the company, past, present or prospective, and the opinion expressed is free of any bias in this regard. We strictly follow the code of conduct of the Registered Valuation Organization of IBBI.

3. DISCLAIMER AND LIMITATIONS

This Valuation Report is prepared by us under a mandate from Ushanti Colour Chem Limited based on information, documents, papers, representation and explanations given by the management, officers and staff of UCCL to us.

This Report is issued to facilitate the Company to determine the price of Equity Shares for the purpose of issue of Convertible Equity Warrants convertible into the Equity Shares of the Company on preferential basis.

In preparing the Valuation Report, we have relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data provided by the Company. We have therefore relied upon all specific information as received and decline any responsibility should the results presented be affected by the lack of completeness, accuracy, or truthfulness of such information.

Our work does not constitute an audit or certification or due diligence of the past financials of the Company and we have relied upon the information provided to us by the Company as regards such working results.

We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Company. As implied by the financial statements, UCCL is assumed to have those legal rights to the assets and be subject to those claims represented by the liabilities presented in its financial statements. No investigation was undertaken to confirm these legal rights or claims.

Publicly available information deemed relevant for the purpose of the analysis contained in the Valuation Report has also been used. Accordingly, the Valuation Report is based on our interpretation of the information provided By Ushanti Colour Chem Limited and/or any of its affiliates as well as its representatives and advisors, to date.

We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of or reliance on the information set out herein in

this Report.

This Valuation Report should not be construed as investment advice or any form of recommendation either for making or divesting investment in the Company.

This Report does not constitute a fairness opinion, solvency opinion, or an investment recommendation and should not be construed as such either for making or divesting investment.

This Valuation Report is furnished on a strictly confidential basis. Neither this Valuation Report nor the information contained herein may be reproduced or passed on to any person or used for any purpose other than stated above. For the avoidance of doubt, it is clarified that this Valuation Report may be placed for inspection of the shareholders of the Company.

This Report, its contents and the results herein (i) are specific to the purpose of valuation agreed as per the terms of our engagement; (ii) are specific to the date of this Report and (iii) are 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 written and oral information made available to us as of date of this report.

Events occurring after this date 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.

4. SOURCES OF INFORMATION

- We have relied upon the data available on NSE website to work out valuation as per SEBI ICDR Regulations as amended for frequently traded equity shares.
- Brief Profile of the Company;
- Data available from the Public Domain;
- Audited Financials of the Company for last 3 years till FY 2025;
- Un-Audited and Limited Reviewed Financials of the Company as on September 30, 2025
- Profitability Projections provided by the Company for next 5 years

5. METHODS AND APPROACH OF VALUATION

In arriving at the fair value of equity shares of the Company, we have evaluated the use of the Income Approach, Cost Approach as well as Market Approach but have finally used the Weighted Average Method, assigning appropriate weights to each approach, in accordance with the Companies Act, 2013, SEBI ICDR Regulations as amended and the Companies (Registered Valuers and Valuation) Rules, 2017.

DISCOUNTED CASH FLOW METHOD – INCOME APPROACH

Under the DCF method the project free cash flows to the firm are discounted at the Weighted average of Cost of Capital. The sum of the discounted value of such free cash flow is the value of the firm.

Using DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that is available to the providers of the company's equity capital. i.e. After-Tax earnings adjusted for Depreciation, Interest, Capital Expenditure, Workings Capital and Net borrowings.

Appropriate discount rate to be applied to cash flows i.e Weighted Average Cost of Capital:

The discount rate applied to the Free Cash Flows to the Firm (FCFF) is the Weighted Average Cost of Capital (WACC), which represents the opportunity cost of capital for the Company's overall capital providers, comprising both equity and debt holders. This rate reflects the expected return required by investors on investments of equivalent risk.

The cash flows are typically projected over a limited number of years, depending on the planning horizon of the specific company and other factors related to the

particular industry and the general economy. As a result, it is necessary to compute a terminal value as of the end of the last period for which cash flows are projected. This terminal value is essentially an estimate of the value of the enterprise as of that future point in time, and it incorporates the assumptions of perpetual operations and implicit growth found in the market approach. Discounting the projected future cash flows and the terminal value back to the present and summing the results yields an indication of value for the enterprise as a whole.

Appropriate adjustments have been made to the enterprise value for specific cash and cash equivalents and Value of Non-Operating Assets pertaining to company to arrive at the fair value of the Company.

We have been provided with the Projected Financial Statement for the next 5 years till FY 30. Based on which following Value conclusion has been derived:

Equity Valuation	
Particulars	₹ in Lacs
Present Value of Explicit period	2,233.04
Terminal Period Value	4,296.29
Cash & Bank Balance	3.89
Less: Total debt	775.24
Business Value	5,757.98
Number of equity Shares	1,12,36,700
Value Per Share (₹)	51.24

As per the DCF Method the valuation of per equity shares of the Company is ₹51.24.

NET ASSETS VALUE (NAV) METHOD – COST APPROACH

This is a general way of determining a fair value indication of a business, business ownership interest, or security by using one or more methods based on the value of the assets of that business net of liabilities. The cost-based approach establishes value based on the cost of reproducing or replacing the property, less depreciation from physical deterioration and functional and economic obsolescence, if present and measurable. The cost-based approach derives an indication of value based on anticipated cost to replace, replicate, or recreate the assets. The Cost approach is a

valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost). While we have not considered the Cost Approach in determining the fair value for the equity shares as required in our report, we have considered this as an alternate method, based on the information made available to us, in order to comply with the requirements of SEBI ICDR Regulations. Accordingly, we have worked out the valuation under the Cost approach as under:

Net Asset Value Method

As on 30.09.2025

Particulars	₹ in Lacs
Non-Current Assets	5,643.93
Current Assets	3,286.70
Total Assets	8,930.63
Non-Current Liabilities	37.95
Current Liabilities	3,215.60
Total Liability	3,253.55
Net Asset available to Equity Share Holder	5,677.08
No. of Equity Shares	1,12,36,700
NAV Per Share	50.52

MARKET PRICE METHOD – MARKET APPROACH

The Company is a listed Company, the valuation of equity shares under this method is arrived at, by average of volume weighted average market price as per the SEBI ICDR Regulations as amended. As per Reg.164 of SEBI ICDR Regulations as amended, when the shares of the company are frequently traded on exchange, then the value of the shares to be determined in following manner:

Regulation 164 (1)

"If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

a) the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date;

OR

b) the 10 trading days volume weighted average prices of the related equity shares quoted on the recognized stock exchange preceding the relevant date."

The brief working of the value per equity shares of the Company as per Reg. 164(1) of SEBI ICDR Regulations as amended is set out below:

A) Price as per Regulation 164(1) of SEBI (ICDR) Regulations, 2022 as amended

Option – I Volume Weighted Average Price of last 90 trading days Stock Price at NSE

Trading Days	Date	Trading Volume	Trading Value
1	26-Dec-25	2,000.00	1,07,000.00
2	24-Dec-25	Not Traded	Not Traded
3	23-Dec-25	Not Traded	Not Traded
4	22-Dec-25	Not Traded	Not Traded
5	19-Dec-25	Not Traded	Not Traded
6	18-Dec-25	2,000	96,000.00
7	17-Dec-25	Not Traded	Not Traded
8	16-Dec-25	Not Traded	Not Traded
9	15-Dec-25	Not Traded	Not Traded
10	12-Dec-25	Not Traded	Not Traded
11	11-Dec-25	Not Traded	Not Traded
12	10-Dec-25	Not Traded	Not Traded
13	09-Dec-25	Not Traded	Not Traded
14	08-Dec-25	Not Traded	Not Traded
15	05-Dec-25	Not Traded	Not Traded
16	04-Dec-25	Not Traded	Not Traded
17	03-Dec-25	Not Traded	Not Traded
18	02-Dec-25	2,000	96,000.00
19	01-Dec-25	Not Traded	Not Traded
20	28-Nov-25	Not Traded	Not Traded

21	27-Nov-25	Not Traded	Not Traded
22	26-Nov-25	Not Traded	Not Traded
23	25-Nov-25	12,000	5,38,700.00
24	24-Nov-25	10,000	4,40,400.00
25	21-Nov-25	Not Traded	Not Traded
26	20-Nov-25	2,000	88,300.00
27	19-Nov-25	Not Traded	Not Traded
28	18-Nov-25	Not Traded	Not Traded
29	17-Nov-25	Not Traded	Not Traded
30	14-Nov-25	Not Traded	Not Traded
31	13-Nov-25	Not Traded	Not Traded
32	12-Nov-25	Not Traded	Not Traded
33	11-Nov-25	Not Traded	Not Traded
34	10-Nov-25	8,000	3,86,400.00
35	07-Nov-25	Not Traded	Not Traded
36	06-Nov-25	Not Traded	Not Traded
37	04-Nov-25	Not Traded	Not Traded
38	03-Nov-25	2,000	82,500.00
39	31-Oct-25	Not Traded	Not Traded
40	30-Oct-25	Not Traded	Not Traded
41	29-Oct-25	Not Traded	Not Traded
42	28-Oct-25	Not Traded	Not Traded
43	27-Oct-25	Not Traded	Not Traded
44	24-Oct-25	12,000	5,01,000.00
45	23-Oct-25	Not Traded	Not Traded
46	21-Oct-25	Not Traded	Not Traded
47	20-Oct-25	Not Traded	Not Traded
48	17-Oct-25	Not Traded	Not Traded
49	16-Oct-25	Not Traded	Not Traded
50	15-Oct-25	Not Traded	Not Traded
51	14-Oct-25	Not Traded	Not Traded
52	13-Oct-25	Not Traded	Not Traded
53	10-Oct-25	Not Traded	Not Traded
54	09-Oct-25	Not Traded	Not Traded
55	08-Oct-25	Not Traded	Not Traded
56	07-Oct-25	4,000	1,76,600.00
57	06-Oct-25	Not Traded	Not Traded
58	03-Oct-25	Not Traded	Not Traded

59	01-Oct-25	Not Traded	Not Traded
60	30-Sep-25	Not Traded	Not Traded
61	29-Sep-25	Not Traded	Not Traded
62	26-Sep-25	Not Traded	Not Traded
63	25-Sep-25	Not Traded	Not Traded
64	24-Sep-25	Not Traded	Not Traded
65	23-Sep-25	4,000	1,79,400.00
66	22-Sep-25	4,000	1,99,700.00
67	19-Sep-25	36,000	16,35,600.00
68	18-Sep-25	2,000	78,000.00
69	17-Sep-25	4,000	1,59,500.00
70	16-Sep-25	Not Traded	Not Traded
71	15-Sep-25	Not Traded	Not Traded
72	12-Sep-25	Not Traded	Not Traded
73	11-Sep-25	Not Traded	Not Traded
74	10-Sep-25	Not Traded	Not Traded
75	09-Sep-25	Not Traded	Not Traded
76	08-Sep-25	28,000	10,84,700.00
77	05-Sep-25	24,000	9,78,900.00
78	04-Sep-25	36,000	15,85,600.00
79	03-Sep-25	12,000	5,41,600.00
80	02-Sep-25	2,000	1,00,000.00
81	01-Sep-25	Not Traded	Not Traded
82	29-Aug-25	Not Traded	Not Traded
83	28-Aug-25	Not Traded	Not Traded
84	26-Aug-25	Not Traded	Not Traded
85	25-Aug-25	Not Traded	Not Traded
86	22-Aug-25	Not Traded	Not Traded
87	21-Aug-25	Not Traded	Not Traded
88	20-Aug-25	Not Traded	Not Traded
89	19-Aug-25	Not Traded	Not Traded
90	18-Aug-25	Not Traded	Not Traded
Total		2,08,000	90,55,900.00
VWAP for 90 Days (Value/Volume)			43.54

Option – II Volume Weighted Average Price of last 10 trading days of Stock Price at NSE

Trading Days	Date	Trading Volume	Trading Value
1	26-Dec-25	2,000.00	1,07,000.00
2	24-Dec-25	Not Traded	Not Traded
3	23-Dec-25	Not Traded	Not Traded
4	22-Dec-25	Not Traded	Not Traded
5	19-Dec-25	Not Traded	Not Traded
6	18-Dec-25	2,000	96,000.00
7	17-Dec-25	Not Traded	Not Traded
8	16-Dec-25	Not Traded	Not Traded
9	15-Dec-25	Not Traded	Not Traded
10	12-Dec-25	Not Traded	Not Traded
Total		350,000	4,000.00
VWAP for 10 Days (Value/Volume)			50.75

Price per equity shares as per Reg. 164(1) is higher of the Option-I and Option-II:

Particular	Price Per Shares (₹)
(A) Average of VWAP for last 90 trading Days	43.54
(B) Average VWAP for last 10 trading Days	50.75
Applicable Minimum Price (Higher of above) as per Regulation 164(1) of SEBI (ICDR) Regulations, 2022	50.75

6. SELECTION OF METHOD OF VALUATION

In order to arrive fair value of equity shares of Ushanti Colour Chem Limited for the purpose of the proposed preferential allotment, we have considered all three approach – the Market approach, Income approach and Cost approach by applying appropriate weights to value arrived under each method.

7. CONCLUSION

To determine the fair value of equity shares of Ushanti Colour Chem Limited for the proposed preferential allotment, we have evaluated the Market Approach, Income Approach (Discounted Cash Flow Method), and Cost Approach (Net Asset Value Method). The valuation is based on the relevant date of December 29, 2025, with the valuation date set as December 26, 2025, in accordance with SEBI ICDR Regulation 164(2).

The valuation results are as follows:

Valuation Approach	Value Per Share	Weight	Weighted Value Per Share
Market Approach	₹ 50.75	40%	₹ 20.30
Income Approach	₹ 51.24	40%	₹ 20.50
Cost Approach	₹ 50.52	20%	₹ 10.10
Relative Value			₹ 50.90

Equal weightage of 40% each has been assigned to the Market and Income Approaches. Considering the concentration and variability of trading volumes during the last 90 trading days, the Market Approach has not been given a higher weight. The Income Approach reflects the Company's projected cashflow and profit-generating capacity. The Cost Approach has been assigned a weight of 20%, representing the net asset value as a baseline.

In compliance with SEBI ICDR Regulations 164(2), Section 42, Section 62(1)(c), and Section 247 of the Companies Act, 2013, and the Companies (Registered Valuers and Valuation) Rules, 2017, we certify **that the fair value of equity shares for the preferential allotment is not less than ₹50.90 per share.**

For, Den Valuation (OPC) Private Limited

CA Jigar Shah
Director
IBBI Regd. No. - IBBI/RV-E/06/2021/146
Place: Ahmedabad
UDIN: 25115916EICYMR1166



Date: December 29, 2025

Annexure – A

Details of Trading in Equity Shares of USHANTI COLOUR CHEM LIMITED during last 240 trading days, i.e., January 09, 2025 to December 26, 2025

A. Percentage of Traded Turnover

Total Traded Turnover (Shares in Crores)	0.13
Total No. of Outstanding Shares (in Crores)	1.09
% of Total Traded Turnover	11.67%

(Source: www.nseindia.com)

Since the traded turnover during 240 trading days in the equity shares of the Company is more than 10.00% of the total number of equity shares outstanding, the equity shares of the Company are frequently traded within the meaning of regulation 164 of SEBI ICDR Regulations as amended.

Annexure – B

Income Approach – Discounted Cash Flow Method ("DCF")

Particulars (in ₹ Lakhs)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
PAT	318.44	453.25	538.67	640.57	762.21
Add: Depreciation	4.12	53.08	58.10	63.63	69.73
Add: Interest (1-tax)	19.31	120.67	144.81	173.77	208.52
Gross cashflow to firm	341.87	627.01	741.57	877.97	1,040.45
Less: CAPEX	(56.61)	(158.72)	(183.62)	(213.36)	(248.90)
Less: Changes in WC	17.72	151.56	75.88	155.77	198.27
Free cashflow to firm	302.97	619.85	633.83	820.39	989.82
Discounting period	0.25	1.25	2.25	3.25	4.25
Discounting Factor	0.96	0.82	0.70	0.60	0.51
Present value of cash flow	291.14	507.84	442.77	488.63	502.66

Terminal Value	
Particulars (in ₹ Lakhs)	Amount
Cash Flow for 2030	502.66
Cost of Capital	17.28%
Growth Rate	5.00%
Present Value of Terminal Value	4,296.29

Weighted Average Cost of Capital			
Particulars	%	Weightage	%
Cost of equity	18.86%	0.88	16.60%
Cost of Debt	5.73%	0.12	0.69%
WACC- 30.09.2025			17.28%
Cost of Equity	%	Remarks /Sources	
Risk-Free Rate	6.60%	10 Year G-Sec Yield as of Valuation date (Source: https://www.rbi.org.in)	
Beta Levered	0.82	(Source: https://pages.stern.nyu.edu)	
Market Risk Premium (Rm)	15.46%		
Liquidity Risk Premium	3.00%		
Additional Risk Premium	2.00%		

Growth	5%	
Cost Of Equity	18.86%	
Cost of Debt		
Pre-tax cost	7.66%	Based on Company's Average cost of debt as per on Past Financials
Tax	25.17%	
Post-tax cost	5.73%	
Total Debt	775.24	
Total Equity	5,677.08	
D/E	0.14	

Equity Valuation	
Particulars	₹ in Lakhs
Present Value of Explicit period	2,233.04
Terminal Period Value	4,296.29
Cash & Bank Balance	3.89
Less: Total debt	775.24
Business Value	5,757.98
Number of equity Shares	1,12,36,700
Value Per Share (₹)	51.24