

GOPAVARAPU MURALI REDDY

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**VALUATION
OF
EQUITY SHARES
OF
GODAVARI DRUGS LIMITED
CIN: L24230TG1987PLC008016**



Prepared by:
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RV Registration No - IBBI/RV/02/2019/11566

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Date: January 15, 2026

To,

GODAVARI DRUGS LIMITED

1-8-303/34, S.P. Road,
Secunderabad, Telangana,
India, 500003

Dear Sir,

Sub: Valuation Analysis of the Equity Shares of GODAVARI DRUGS LIMITED

I refer to our engagement letter dated January 15, 2026 for carrying out the valuation of **Equity Shares of GODAVARI DRUGS LIMITED** (here-in-after referred as "**Company**" or "**GDL**"). In accordance with the terms of the engagement, I am enclosing my report along with this letter. In attached report, I have summarized my Valuation analysis of the Shares together with the description of methodologies used and limitation on my Scope of Work.

Based on my assessment and in terms of first Proviso to the Sub-Regulation 1 of Regulation 166A r.w. Sub- Regulation 1 of Regulation 164 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), as amended from time to time, the Floor Price of the Equity Share of the Company having Face Value of Rupees 10.00 each has been arrived at **Rs. 88.92/-** In case you require any further assistance, please feel free to contact me.

This Valuation Analysis is confidential and has been prepared for you for providing the same to government or regulatory authorities and this report can be provided to potential investor of GDL for enabling compliance under various laws as detailed hereinafter in this report. It should not be used, reproduced or circulated to any other person, in whole or in part, without my prior consent. Such consent will only be given after full consideration of the circumstance at that time. I trust that above meets your requirements.

Please feel free to contact us in case you require any additional information or clarifications.

Thanking you,

Yours faithfully,

CA GOPAVARAPU MURALI REDDY

Registered Valuer

IBBI Reg.No.IBBI/RV/02/2019/11566

UDIN: 26234971YILBKU3513

VRN: IOV/2025-2026/11592

Place: Hyderabad



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1. BACKGROUND OF THE COMPANY:

History:

GODAVARI DRUGS LIMITED (“GDL”) is Public Limited Company Incorporated under the Companies Act, 1956 On December 02, 1987, Having Its Registered Office At 1-8-303/34, S.P. Road, Secunderabad, Telangana, India, 500003. The Company Identification Number (CIN) of the company is L24230TG1987PLC008016. Equity Shares of GDL are listed on Bombay Stock Exchange Limited.

Brief Description of the Company:

Godavari Drugs Limited is a pharmaceutical company that specializes in the manufacturing and supply of active pharmaceutical ingredients (APIs), drug intermediates and fine chemicals. The company’s operations are designed to meet the stringent quality standards and requirements of the global life sciences industry, with a focus on contract manufacturing and loan license manufacturing arrangements for multinational partners. Over more than two decades of operations, it has developed capabilities to serve a wide spectrum of pharmaceutical customers and markets.

The firm’s manufacturing infrastructure is located in the Maharashtra Industrial Development Corporation (MIDC) estate in Nanded, Maharashtra, where it produces a variety of APIs and intermediates supported by robust analytical and quality-control facilities. Its technical expertise combines advanced chemistry knowledge with strong engineering and process development capabilities, enabling the company to scale production from laboratory and pilot plant stages to full commercial output in compliance with current Good Manufacturing Practices (cGMP) and WHO GMP requirements.

In addition to its core manufacturing activities, Godavari Drugs Limited maintains active contract manufacturing and loan license tie-ups with reputed multinational pharmaceutical companies, extending its market reach and production versatility. The company’s product portfolio includes APIs such as ciprofloxacin hydrochloride, enrofloxacin and other key pharmaceutical compounds, reflecting its commitment to serving both domestic and international healthcare sectors.

Capital Structure of the Company;

| Particulars | Amount (in Rs.) |
|---|-----------------|
| Authorised Share Capital | |
| 2,00,00,000 Equity shares of Rupees 10.00 each | 20,00,00,000 |
| Issued, Subscribed Share Capital | |
| 75,30,500 Equity Shares of Rs.10/- each Fully Paid-up | 7,53,05,000 |

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Email: muraligopavarapu@gmail.com, M.No.+91 8885928406**Board of Directors and Other Key Managerial persons**

| Sr. No | DIN/PAN | Name | Designation | Date of Appointment |
|---------------|----------------|------------------------|---------------------------|----------------------------|
| 1 | 3405414 | Mohit Jaju | CFO & Whole-time director | 10-05-2012 |
| 2 | 104646 | Mukund Kakani | Managing Director | 03-12-1987 |
| 3 | 104601 | Ghanshyam Jaju | Director | 03-12-1987 |
| 4 | 1876185 | Mahendra Uday Bhalerao | Director | 12-11-2022 |
| 5 | 8257931 | Shilpa Bung | Director | 29-05-2025 |
| 6 | 10503106 | Dinesh Udpa | Director | 13-02-2024 |
| 7 | *****8148E | Venkatesh Achanta | Company Secretary | 29-05-2023 |

2. SCOPE AND PURPOSE OF THIS REPORT:

- 2.1 The Company proposes to issue the Securities to identified investors on preferential Basis (“the proposed Transaction”) and needs to determine the floor price of securities as per Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time (“ICDR 2018”). The Company has informed to us that they propose to issue Securities which will be more than 5% of the post issue fully diluted share capital of the Company and there is no resulting change in control.
- 2.2 In this connection, the Company has engaged us to submit a report on floor price of the Securities for preferential allotment.
- 2.3 The Scope of our service is to submit a report on floor price of the Securities of the company calculated in accordance with Regulation 164(1) - Pricing of frequently traded shares and Regulation 166 & 166A of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Indian Valuation Standards issued by ICAI (Ind VS).
- 2.4 Management of the Company has informed us to consider the Relevant Date for the current valuation exercise as 13th January 2026 (“Valuation Date”). Therefore, the cut off date for all information, including market data, has been considered till 13th January 2026 for valuation under Regulation 164(1) of ICDR 2018 and 30th September 2025 for valuation under Regulation 166A (1) of the ICDR 2018.

3. KEY DATES:**Appointing Authority-** Audit Committee of the GDL.**Appointment Date:** January 15, 2026.**Relevant Date:** January 13, 2026.**Report Date:** January 15, 2026.

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4. IDENTITY OF VALUER:

I am independent Registered Valuer as required under the Companies (Registered Valuer & Valuation) Rules, 2017 registered with Insolvency & Bankruptcy Board of India having registration no. IBBI/RV/02/2019/11566. No other Experts are involved in this valuation exercise.

5. PECUNIARY INTEREST DECLARATION:

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

6. SOURCES OF INFORMATION:

I have been provided the following information for the valuation analysis:

- MOA & AOA of GDL;
- Annual Report for the year ended on March 31, 2024 and March 31 2025;
- Un-Audited results for the Quarter ended 30th June 2025 and 30th September 2025.
- Trading History Data of Equity Shares of GDL for last 90 trading days from relevant Date;
- Written Representations made by the Company in course of the valuation exercise;
- Other related information from various sources;

Besides the above listing, there may be other information provided by the Client which may not have been perused by me in any detail, if not considered relevant for my defined scope.

Discussions (in person / over call) with the management to: Understand the business and fundamental factors that affect its earning- generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance. During the discussions with the management, I have also obtained explanations and information considered reasonably necessary for this exercise.

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Email: muraligopavarapu@gmail.com, M.No.+91 8885928406**7. FINANCIAL INFORMATION:****Balance sheet****Amounts (Rs.In Lakhs)**

| Particulars | As at 30 September 2025 | As at 31 March 2025 |
|--------------------------------------|----------------------------|------------------------|
| | Un-Audited | Audited |
| <u>Assets</u> | | |
| (1)Non-current Assets | | |
| a) Property, plant and equipment | 3141.40 | 3260.88 |
| b) Right of use assets | - | - |
| c) Other intangible assets | - | - |
| d) Capital work in progress | 4088.23 | 2994.61 |
| e) Financial Assets | | |
| i) Investments | 0.01 | 0.01 |
| ii)Other financial assets | 177.04 | 175.84 |
| f) Other non current assets | - | - |
| g) Deferred tax asset (net) | - | - |
| Total Non-current Assets | 7406.68 | 6431.34 |
| (2)Current Assets | | |
| a) Inventories | 3624.29 | 2794.13 |
| b) Financial Assets | | |
| i) Trade receivables | 4178.81 | 4232.36 |
| ii) Cash and cash equivalents | 229.31 | 237.33 |
| iii)Other financial assets | 93.30 | 102.21 |
| c) Current tax assets (Net) | - | - |
| d) Other current assets | 713.98 | 510.27 |
| Total current Assets | 8839.69 | 7876.3 |
| TOTAL ASSETS | 16246.37 | 14307.64 |
| <u>Equity and Liabilities</u> | | |
| Equity | | |
| a) Equity share capital | 753.05 | 753.05 |
| b) Other equity | 3785.68 | 3,581.56 |
| Total equity | 4538.73 | 4,334.61 |
| Liabilities | | |
| (1) Non-current Liabilities | | |
| a) Financial liabilities | | |
| (i) Borrowings | 2986.15 | 2,389.52 |
| (ii) Lease liabilities | - | - |
| b) Provisions | 91.35 | 82.64 |

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| | | |
|---|-----------------|------------------|
| (c) Deferred tax liabilities (Net) | 188.64 | 191.84 |
| Total Non-current Liabilities | 3266.14 | 2,664.00 |
| (2) Current Liabilities | | |
| a) Financial Liabilities | | |
| i) Borrowings | 4406.68 | 3,773.25 |
| ii) Lease liabilities | - | - |
| iii) Trade payables | | |
| (a) Total outstanding dues of micro, small and medium enterprises | 28.24 | 31.59 |
| (b) Total outstanding dues of Creditors other than micro,small and medium enterprises | 3057.07 | 2,839.01 |
| iv) Other financial liabilities | 789.06 | 546.15 |
| b) Other current liabilities | - | - |
| c) Current Tax Liabilities (Net) | 160.45 | 119.03 |
| Total current Liabilities | 8441.5 | 7,309.03 |
| | | |
| TOTAL EQUITY AND LIABILITIES | 16246.37 | 14,307.64 |

8. VALUATION METHODOLOGY AND APPROACH:**8.1. VALUATION BASE**

As per the Indian Valuation Standards 102 Valuation Bases, of Indian Valuation Standards 2018 issued by The Institute of Chartered Accountants of India, Valuation Base means the indication of the type of value being used in an engagement Different valuation bases may lead to different conclusions of value. Therefore, it is important to identify the bases of value pertinent to the engagement for the purpose of arriving at the value of the equity shares in the instant case, the valuation base is considered as 'Fair Value'. 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 valuation date fair value reflects characteristics of an asset which are available to market participants in general and do not consider advantages/disadvantages which are available/applicable only to particular participant(s).

8.2. VALUATION PREMISE

Indian Valuation Standards 102 also defines the 'premise of value' which refers to the conditions and circumstances how an asset is deployed. in a given set of circumstances, one or more premise of value may be adopted. The IVS provides a list of common premises of value. These are highest and best use, Going concern value, as is where is value, orderly liquidation and forced transaction.

For the purpose of arriving at the value of the equity shares in the instant case, the valuation premise is considered as **Going Concern value'** Going concern value is the value of a business enterprise that is expected to continue to operate in the future.

8.3. Ind VS 301 on Business Valuation deals with valuation of a business or business ownership

interest (i.e., it includes valuation of equity share). This standard specifies that following three approaches are used for valuation of business / business ownership interest:

- a. Market Approach
- b. Income Approach
- c. Cost Approach

Each of the above approaches are discussed in the following paragraphs.

8.4. **Market Approach**

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

The following are some of the instances where a valuer applies the market approach:

- (a) where the asset to be valued or a comparable or identical asset is traded in the active market;
- (b) there is a recent, orderly transaction in the asset to be valued; or
- (c) there are recent comparable orderly transactions in identical or comparable asset(s) and information for the same is available and reliable.

Under this approach following valuation methods are commonly used:

Market price method, which uses traded price observed over a reasonable period while valuing assets which are traded in the active market.

Comparable Companies Multiple (CCM) method, which involves valuing an asset based on market multiples derived from prices of market comparable traded on active market. 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 between the circumstances. To the value of the business so arrived, adjustments need to be made for the value of contingent assets/liabilities, surplus Asset and dues payable to preference shareholders, if any, in order to arrive at the value for equity shareholders.

Comparable Transaction Multiple (CTM) method, which involves valuing an asset based on transaction multiples derived from prices paid in comparable transactions of assets to be valued.

We have adopted Market price method as company is listed and traded price is available

8.5. **Income Approach**

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

This approach involves discounting future amounts (cash flows/income/cost savings) to a

single present value.

The following are some of the instances where a valuer may apply the income approach:

- (a) where the asset does not have any market comparable or comparable transaction;
- (b) where the asset has fewer relevant market comparables; or
- (c) where the asset is an income producing asset for which the future cash flows are available and can reasonably be projected.

Some of the common valuation methods under income approach are as follows:

Discounted Cash Flow ('DCF') Method

Value arrived under this approach is based on maintainable or future amounts (e.g., cash flows or income and expenses) converted into a single current value (e.g., discounted or capitalised amount). Under this technique, either:

the projected free cash flows from business operations available to all providers of capital are discounted at the weighted average cost of capital to such capital providers, from a market participant basis, and the sum of such discounted cash flow is the value of the business, from which value of debt and other capital is deducted, and other relevant adjustments made to arrive at the value of equity Free Cash Flow to Firm ("FCFF") Technique; or

The projected free cash flows from business operations available to equity shareholders (after deducting cash flows attributable to the debt and other capital providers) are discounted at the cost of equity, from a market participant basis, and the sum of such discounted free cash flows, after making other relevant adjustments, is the value of equity-Free Cash flow to Equity ("FCFE")

Relief from Royalty (RFR) Method

RFR Method is a method in which the value of the asset is estimated based on the present value of royalty payments saved by owning the asset instead of taking it on lease. It is generally adopted for valuing intangible assets that are subject to licensing, such as trademarks, patents, brands, etc.

Multi-Period Excess Earnings Method (MEEM)

MEEM is generally used for valuing intangible asset that is leading or the most significant intangible asset out of group of intangible assets being valued.

With and Without Method (WWM)

Under WWM, the value of the intangible asset to be valued is equal to the present value of the difference between the projected cash flows over the remaining useful life of the asset under the following two scenarios:

- (a) business with all assets in place including the intangible asset to be valued; and
- (b) business with all assets in place except the intangible asset to be valued

Price Earning Capacity Value (PECV)

The profit-earning capacity value will be calculated by capitalizing the average of the after-tax profits at the following rates;

- I. 15% in the case of manufacturing companies.
- II. 20% in the case of trading companies.
- III. 17.5% in the case of “intermediate companies”, that is to say, companies whose turnover from trading activity is more than 40%,but less than 60% of their total turnover.

The crux of estimating the profit-earning capacity value lies in the assessment of the future maintainable earnings of the business. While the past trends in profits and profitability would serve as a guide, it should not be overlooked that the valuation is for the future and that it is the future maintainable stream of earnings that is of greater significance in the process of valuation. All relevant factors that have a bearing on the future maintainable earnings of the business must, therefore, be given due consideration.

We have adopted Price Earning Capacity Value (PECV) as the past financial data is available can be applied.

8.6. Cost Approach

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). In certain situations, historical cost of the asset may be considered by the valuer where it has been prescribed by the applicable regulations/law/guidelines or is appropriate considering the nature of the asset.

Examples of situations where a valuer applies the cost approach are:

- (a) an asset can be quickly recreated with substantially the same utility as the asset to be valued;
- (b) in case where liquidation value is to be determined; or
- (c) income approach and/or market approach cannot be used.

The following are the two most commonly used valuation methods under the Cost approach:

Replacement Cost Method

Replacement Cost Method, also known as ‘Depreciated Replacement Cost Method’ involves valuing an asset based on the cost that a market participant shall have to incur to recreate an asset with substantially the same utility (comparable utility) as that of the asset to be valued, adjusted for obsolescence.

Reproduction Cost Method

Reproduction Cost Method involves valuing an asset based on the cost that a market participant shall have to incur to recreate a replica of the asset to be valued, adjusted for obsolescence.

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We have considered The Net Assets Method represents the value with reference to historical cost of assets owned by the company and the attached liabilities on particular date.

8.7. Applicable Provisions of ICDR 2018

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:

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.

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.

Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso:

As per Regulation 166A(2) Any preferential issue, which may result in a change in control of the issuer, shall only be made pursuant to a reasoned recommendation from a committee of independent directors of the issuer after considering all the aspects relating to the preferential issue including pricing, and the voting pattern of the said committee's meeting shall be disclosed in the notice calling the general meeting of shareholders.

Explanation— The meeting of the independent directors referred in sub-regulation (2) shall be attended by all the independent directors on the board of the issuer.]

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.

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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.

9. VALUATION METHODS

I. Net Asset Value (NAV) -[Cost Approach]

II. Price Earning Capacity Value (PECV) -[Income Approach]

III. Market Value. - [Market Approach]

I. Net Asset Value (NAV) -[Cost Approach]

The Net Assets Method represents the value with reference to historical cost of assets owned by the company and the attached liabilities on particular date. Net asset will be calculated starting from the total assets of the company and deducting there from all debts, borrowing and liabilities, including current and Likely contingent Liability and preference capital if any. In other words it should represent true net worth of business after providing for all outside present and potential liabilities. In the case of companies, the net assets value calculated from assets side of the balance sheet in the above manner will be crossed checked with equity share capital plus free reserve and surplus, less likely contingent liabilities.

II. Price Earning Capacity Value (PECV) - [Income Approach]

The profit-earning capacity value will be calculated by capitalising the average of the after-tax profits at the following rates;

I. 15% in the case of manufacturing companies.

II. 20% in the case of trading companies.

III. 17.5% in the case of "intermediate companies", that is to say, companies whose turnover from trading activity is more than 40%, but less than 60% of their total turnover.

The crux of estimating the profit-earning capacity value lies in the assessment of the future maintainable earnings of the business. While the past trends in profits and profitability would serve as a guide, it should not be overlooked that the valuation is for the future and that it is the future maintainable stream of earnings that is of greater significance in the process of valuation. All relevant factors that have a bearing on the future maintainable earnings of the business must, therefore, be given due consideration.

III. Market Value: - [Market Approach]

The Equity Shares of Company are listed on Bombay Stock Exchange Limited (BSE) for a period of more than 90 trading days as on the relevant date i.e. Tuesday, January 13, 2026 and are frequently traded in accordance with SEBI ICDR Regulations.

In case of "frequently traded shares (Regulation 164(1) of the SEBI ICDR Regulations:

If the equity shares of the Company 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

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- b. the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

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.

Articles of Association of the Company do not provide for any particular method of determination which results in a floor price higher than that determined under SEBI ICDR Regulations.

The Company's Equity Shares are listed on Bombay Stock Exchange Limited and it is considered as Stock exchange on 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.

10. VALUATION ANALYSIS:

In terms of the first proviso to sub-regulation (1) of Regulation 166A read with sub-regulation (1) of Regulation 164 of the SEBI ICDR Regulations of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and by using the Valuation Parameters, the following is the Valuation Analysis of Equity Shares of the Company.

| Sr. No. | Valuation Parameters | Value per Equity Share (in Rupees) |
|---------|---|------------------------------------|
| 1. | Income Approach-Price Earning Capacity Value Method | 39.37 |
| 2. | Market Approach- Market Value Method | 88.92 |
| 3. | Cost Approach -Net Assets Value Method | 60.27 |

For, detailed working calculation of Value of Equity Share, please refer;

Annexure 1 - For Net Assets Value Method

Annexure 2 - For Price Earning Capacity Value Method

Annexure 3 - For Market Value Method

| Sr. No. | Method | Value per Equity Share (in Rupees)(A) | Weights (B) | Weighted (C=A*B) |
|--|---|---------------------------------------|-------------|------------------|
| 1. | Income Approach-Price Earning Capacity Value Method | 39.37 | 25% | 9.84 |
| 2. | Market Approach- Market Value Method | 88.92 | 50% | 44.46 |
| 3. | Cost Approach -Net Assets Value Method | 60.27 | 25% | 15.07 |
| Total (D) | | | 100% | 69.37 |
| Weighted Value Per Share (In Rupees) (Total of C / D) | | | | 69.37 |

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In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the documents available with us but which will strongly influence the worth of a Shares.

In the light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined in this report, I conclude as under;

| Sr. No. | Provisions | Minimum Floor Price (in Rupees) |
|----------------|--|--|
| A | Floor Price in terms of first Proviso to the Sub-Regulation1 of Regulation 166A of the SEBI ICDR Regulations | 69.37 |
| B | Floor Price in terms of the Sub-Regulation 1 of Regulation164 of the SEBI ICDR Regulations | 88.92 |

Accordingly, the Floor Price of the Equity Share of the Company having Face Value of Rupees 10.00 each in terms of Chapter V of SEBI ICDR Regulations as at relevant date is **INR 88.92** (Rupees Eighty Eight and Ninety Two Paise) (Higher of A and B).

12. CAVEATS, LIMITATIONS AND DISCLAIMERS:

My report is subject to the scope limitations detailed hereinafter.

As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. My engagement for this valuation consulting work does not include any procedures designed to discover any defalcations or other irregularities, should any exist.

I have provided an assessment of the value based on the information available, application of certain formula and within the scope and constraints of our engagement, others may place a different value to the same. However, I independently did not verify such information and make no representation as to the accuracy or completeness of such information obtained from or provided by such sources.

The company and its representatives warranted to us that the information supplied to us was complete and accurate to the best of their knowledge and that the financial information properly reflects the business conditions and operating results for the respective periods in accordance with generally accepted accounting principles. Information supplied to us has been accepted as correct without any further verification. I have not audited, reviewed, or compiled the historical provided to us and, accordingly, i do not express any audit opinion or any other form of assurance on this information. Because of the limited purpose of the information presented, it may be incomplete and contain departures from generally accepted accounting principles. In the course of the valuation, i was provided with both written and verbal information. I have however, evaluated the information provided to us by the Company through broad inquiry, analysis and review but

CA GOPAVARAPU MURALI REDDY

(FCA, IBBI Registered Valuer No. IBBI/RV/02/2019/11566)

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Email: muraligopavarapu@gmail.com, M.No.+91 8885928406

have not carried out a due diligence or audit of the information provided for the purpose of this engagement.

My conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company. I assume no responsibility for any errors in the above information furnished by the Company and consequential impact on the present exercise.

The draft of the present report was circulated to the Management for confirming the facts stated in the report and to confirm that information or facts stated are not erroneous and the assumptions used are reasonable.

No investigation on the Company's claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the liabilities in the books. Therefore, no responsibility is assumed for matters of a legal nature.

My work does not constitute an audit or certification of the historical financial statements including the working results of the Company referred to in this report. Accordingly, I am unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation mentioned in the report and it is as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

I have no responsibility to update this report for events and circumstances occurring after the date of this report. My fees are not contingent to the results or output of this report. I will not be responsible to appear in front of Companies act, income tax, RBI or any other regulatory authority in relation to the said valuation.

The decision to carry out the transaction (including consideration thereof) on the basis of this valuation lies entirely with the GDL and my work and my finding shall not constitute a recommendation as to whether or not GDL should carry out the transaction. The report and conclusion of value are not intended by the author and should not be construed by the reader to be investment advice in any manner whatsoever. The conclusion of value represents my opinion, based on information furnished to us by the client and other sources. Any person/party intending to provide finance/invest in the shares/business of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision.

My report is meant for the purpose mentioned in point 2 of this report and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.

I acknowledge that I am independent valuer and have no present or contemplated financial interest in the Company. My fees for this valuation is based upon my normal billing rates, and not contingent upon the results or the value of the business or in any other manner. I have not been engaged by the Company in any unconnected transaction during last five years.

CA GOPAVARAPU MURALI REDDY

(FCA, IBBI Registered Valuer No. IBBI/RV/02/2019/11566)

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Neither me, nor any managers, employees of my firm makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

Thanking you,

Yours

faithfully,

CA GOPAVARAPU MURALI REDDY
(IBBI Registered Valuer)
Flat No.507, Everest Block, Aditya enclave,
Ameerpet, Hyderabad, Telangana-500038.



RV Registration No - IBBI/RV/02/2019/11566

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Annexure-1

Valuation of Equity Shares of GDL under NAV Method:

Calculation of Net Assets Value of the Company as at September 30, 2025

| | Particulars | Amount |
|---|--|----------------|
| | | (Rs. In Lakhs) |
| a | Total Assets | 16,246.37 |
| | Less: | |
| b | Total non-current liabilities | 3,266.14 |
| c | Total current liabilities | 8,441.50 |
| d | Total Liabilities (b+c) | 11,707.64 |
| e | Net worth/Equity of the Company as on 30.09.2025 (a-d) | 4,538.73 |
| f | No. of Equity Shares | 75,30,500 |
| g | Book Value (e/g) | 60.27 |

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Annexure-2

Valuation of Equity Shares of GDL under PECV Method:

Amount (Rs. In Lakhs)

| Particulars | 2024-25 | 2023-24 | 2022-23 | Total |
|------------------------------------|----------------|----------------|----------------|-----------------|
| Total Revenue | 11,335.01 | 15,671.19 | 15,962.48 | 42,968.68 |
| Profit Before Tax | 562.54 | 692.18 | 493.47 | 1,748.19 |
| Weights | 3 | 2 | 1 | 6 |
| Product | 1,687.62 | 1,384.36 | 493.47 | 3,565.45 |
| Weighted Average Profit Before Tax | | | | 594.24 |
| Tax @25.17% | | | | 149.57 |
| Future Maintainable Profit | | | | 444.67 |
| Capitalisation rate @15%* | | | | 2,964.47 |
| No of Shares | | | | 75,30,500 |
| Fair Value | | | | 39.37 |

A capitalisation rate of 15% has been adopted considering the Company is a manufacturing entity, in line with generally accepted valuation practices.

Valuation of Equity Shares of GDL under Market Price Method

(Source: Bombay Stock Exchange Limited)

Average of the volume weighted average price (VWAP) of the equity shares of GODAVARI DRUGS LIMITED quoted on the Bombay Stock Exchange Limited during the 90 trading days preceding the relevant date (considering relevant date as 13/01/2026)

| Days | Date | No. of share Traded | Total Turnover (Rs.) | Days | Date | No. of share Traded | Total Turnover (Rs.) |
|-------------|-------------|----------------------------|-----------------------------|-------------|-------------|----------------------------|-----------------------------|
| 1 | 12-Jan-26 | 1208 | 102014 | 46 | 07-Nov-25 | 2047 | 168264 |
| 2 | 09-Jan-26 | 9647 | 808011 | 47 | 06-Nov-25 | 5889 | 497902 |
| 3 | 08-Jan-26 | 7654 | 668979 | 48 | 04-Nov-25 | 1696 | 144956 |
| 4 | 07-Jan-26 | 30161 | 2734420 | 49 | 03-Nov-25 | 3732 | 321717 |
| 5 | 06-Jan-26 | 70785 | 6551373 | 50 | 31-Oct-25 | 11061 | 944843 |
| 6 | 05-Jan-26 | 8520 | 688831 | 51 | 30-Oct-25 | 1999 | 170523 |
| 7 | 02-Jan-26 | 532 | 40750 | 52 | 29-Oct-25 | 6543 | 559134 |
| 8 | 01-Jan-26 | 10663 | 804397 | 53 | 28-Oct-25 | 4002 | 344561 |
| 9 | 31-Dec-25 | 153 | 11778 | 54 | 27-Oct-25 | 1928 | 163558 |
| 10 | 30-Dec-25 | 1901 | 147365 | 55 | 24-Oct-25 | 3633 | 306280 |
| 11 | 29-Dec-25 | 2140 | 172580 | 56 | 23-Oct-25 | 9402 | 773324 |
| 12 | 26-Dec-25 | 7537 | 632948 | 57 | 21-Oct-25 | 822 | 67531 |
| 13 | 24-Dec-25 | 823 | 67196 | 58 | 20-Oct-25 | 1376 | 110683 |
| 14 | 23-Dec-25 | 3920 | 318597 | 59 | 17-Oct-25 | 4395 | 351335 |
| 15 | 22-Dec-25 | 17643 | 1418048 | 60 | 16-Oct-25 | 2110 | 169357 |
| 16 | 19-Dec-25 | 1001 | 74189 | 61 | 15-Oct-25 | 2672 | 215953 |
| 17 | 18-Dec-25 | 1117 | 83452 | 62 | 14-Oct-25 | 2224 | 180109 |
| 18 | 17-Dec-25 | 1641 | 122120 | 63 | 13-Oct-25 | 2175 | 175419 |
| 19 | 16-Dec-25 | 1852 | 136630 | 64 | 10-Oct-25 | 6108 | 500587 |
| 20 | 15-Dec-25 | 3833 | 276132 | 65 | 09-Oct-25 | 4206 | 344449 |
| 21 | 12-Dec-25 | 2034 | 145600 | 66 | 08-Oct-25 | 2547 | 212370 |
| 22 | 11-Dec-25 | 5058 | 363122 | 67 | 07-Oct-25 | 2829 | 240193 |
| 23 | 10-Dec-25 | 1085 | 77845 | 68 | 06-Oct-25 | 1527 | 131665 |
| 24 | 09-Dec-25 | 3508 | 245977 | 69 | 03-Oct-25 | 3662 | 323324 |
| 25 | 08-Dec-25 | 4504 | 323546 | 70 | 01-Oct-25 | 3708 | 320701 |
| 26 | 05-Dec-25 | 4893 | 361876 | 71 | 30-Sep-25 | 921 | 78843 |
| 27 | 04-Dec-25 | 1147 | 89449 | 72 | 29-Sep-25 | 6280 | 547086 |
| 28 | 03-Dec-25 | 1726 | 130718 | 73 | 26-Sep-25 | 8467 | 734608 |
| 29 | 02-Dec-25 | 1424 | 106544 | 74 | 25-Sep-25 | 3606 | 304465 |
| 30 | 01-Dec-25 | 2385 | 178037 | 75 | 24-Sep-25 | 3493 | 295540 |
| 31 | 28-Nov-25 | 1613 | 123498 | 76 | 23-Sep-25 | 6257 | 518110 |
| 32 | 27-Nov-25 | 2073 | 160757 | 77 | 22-Sep-25 | 1795 | 150613 |
| 33 | 26-Nov-25 | 2177 | 169584 | 78 | 19-Sep-25 | 2717 | 231395 |
| 34 | 25-Nov-25 | 4897 | 380614 | 79 | 18-Sep-25 | 2885 | 248738 |
| 35 | 24-Nov-25 | 10138 | 820139 | 80 | 17-Sep-25 | 6626 | 576319 |

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| | | | | | | | |
|--------------------------------------|-----------|-------|--------|----|-----------|------|--------------------|
| 36 | 21-Nov-25 | 11429 | 899033 | 81 | 16-Sep-25 | 4045 | 349906 |
| 37 | 20-Nov-25 | 2801 | 223460 | 82 | 15-Sep-25 | 9584 | 829418 |
| 38 | 19-Nov-25 | 11424 | 910998 | 83 | 12-Sep-25 | 2392 | 198276 |
| 39 | 18-Nov-25 | 2154 | 177197 | 84 | 11-Sep-25 | 9118 | 743343 |
| 40 | 17-Nov-25 | 701 | 57800 | 85 | 10-Sep-25 | 4730 | 386655 |
| 41 | 14-Nov-25 | 1644 | 137367 | 86 | 09-Sep-25 | 2319 | 192830 |
| 42 | 13-Nov-25 | 1396 | 116530 | 87 | 08-Sep-25 | 6886 | 576046 |
| 43 | 12-Nov-25 | 4475 | 364441 | 88 | 05-Sep-25 | 7367 | 610673 |
| 44 | 11-Nov-25 | 1230 | 98920 | 89 | 04-Sep-25 | 2538 | 215313 |
| 45 | 10-Nov-25 | 6258 | 509337 | 90 | 03-Sep-25 | 6710 | 566774 |
| Total Turnover | | | | | | | 3,91,25,888 |
| Total Number of Shares traded | | | | | | | 4,65,934 |
| Average Value | | | | | | | 83.97 |

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Average of the volume weighted average price (VWAP) of the equity shares of GODAVARI DRUGS LIMITED quoted on the Bombay Stock Exchange Limited during the 10 trading days preceding the relevant date (considering relevant date as 13/01/2026)

| Days | Date | No. of share Traded | Total Turnover (Rs.) | Days | Date | No. of share Traded | Total Turnover (Rs.) |
|--------------------------------------|-------------|----------------------------|-----------------------------|-------------|-------------|----------------------------|-----------------------------|
| 1 | 12-Jan-26 | 1208 | 102014 | 6 | 05-Jan-26 | 8520 | 688831 |
| 2 | 09-Jan-26 | 9647 | 808011 | 7 | 02-Jan-26 | 532 | 40750 |
| 3 | 08-Jan-26 | 7654 | 668979 | 8 | 01-Jan-26 | 10663 | 804397 |
| 4 | 07-Jan-26 | 30161 | 2734420 | 9 | 31-Dec-25 | 153 | 11778 |
| 5 | 06-Jan-26 | 70785 | 6551373 | 10 | 30-Dec-25 | 1901 | 147365 |
| Total Turnover | | | | | | | 1,25,57,918 |
| Total Number of Shares traded | | | | | | | 1,41,224 |
| Average Value | | | | | | | 88.92 |

| | | | |
|---|--|--|--------------|
| A | Average of 90 trading days VWAP | | 83.97 |
| B | Average of 10 trading days VWAP | | 88.92 |
| C | Applicable Minimum Price (Higher of the A or B) | | 88.92 |

