28th September, 2023

Sterlite Power Transmission Limited
Recommendation of Share Entitlement Ratio

TPG & CO, CHARTERED ACCOUNTANTS AND REGISTERED VALUER, SFA, IBBI

THANE

INDEX

Recommendation of Share Entitlement Ratio

September 2023

TPG & Co.
Chartered Accountants
FRN No. 141265W
THANE

TEJAL PRAFUL GUPTA
SFA-IBBI/
RV/06/
2018/10207
REGISTERED VALUER

Private and Confidential

28th September 2023

To,

Board of Directors
Sterlite Power Transmission Limited
5th Floor, 5 North Avenue,
Maker Maxity, Bandra Kurla Complex,
Bandra (East), Mumbai, Maharashtra - 400 051

Board of Directors
Sterlite Grid 5 Limited
4th Floor, Godrej Millenium,
Koregaon Road 9,
STS 12/1, Pune, Maharashtra - 411 001

Subject: Recommendation of the Share Entitlement Ratio pursuant to the Scheme of Arrangement ('Scheme') between Sterlite Power Transmission Limited and Sterlite Grid 5 Limited

Dear Sirs/ Madams,

We refer to our engagement letter dated 22nd June 2023 and addendum to the engagement letter dated 29th August 2023 whereby the management ('Management') of Sterlite Power Transmission Limited ('SPTL'/ 'Demerged Company') has requested TPG & Co./ Tejal Praful Gupta, Chartered Accountant and Registered Valuer (hereinafter referred to as 'TPG', 'We' or 'us' or 'our' or 'Valuer') for recommendation of Share Entitlement Ratio for the proposed demerger of infrastructure business undertaking ('Demerged Undertaking') into Sterlite Grid 5 Limited ('SGL 5'/ 'Resulting Company') pursuant to Scheme of Arrangement under sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013 ('Scheme'). The appointed date for the Scheme is 1st January 2023.

SCOPE AND PURPOSE OF THIS REPORT

We understand that pursuant to the Scheme, SPTL proposes to demerge and transfer the Demerged Undertaking into SGL 5 ('Transaction') as specified in the Scheme. Under the Scheme, all the equity shareholders of SPTL will be issued equity shares of SGL 5 as consideration for the transfer of Demerged Undertaking.

TPG has been requested by SPTL to submit a letter recommending an equity share entitlement ratio ('Share Entitlement Ratio'), as at the date of this report, in connection with the Transaction. We understand that this Share Entitlement Ratio report ('Report') will be used by SPTL and SGL 5 for the abovementioned purpose only and to the extent mandatorily required under applicable laws of India, may be produced before, or shared with judicial, regulatory or government authorities, in connection with the Transaction.

SPTL and SGL 5 are together referred to as Specified Companies.

TPG has been hereafter referred to as 'Valuer' or 'we' in this Report.

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TRANSACTION BACKGROUND

Sterlite Power Transmission Limited, a public company, is inter alia, engaged in the business of power products and solutions which mainly includes

(i) manufacturing of power transmission conductors, optical ground wire cables and power cable;
(ii) execution of Engineering, Procurement and Construction ('EPC') contracts for replacement of power transmission conductors, optical ground wire cables and power cable as a part of master system integration business; and
(iii) execution of EPC contracts for construction of power transmission systems; and
(iv) convergence services which allows for power utility infrastructure to be leveraged by telecommunication companies and other communication service providers.

SPTL, directly or indirectly, through its subsidiaries, acts as a developer on build own operate & maintain basis, for designing, financing, construction, and maintenance of power transmission systems for concessional periods ranging from 25 to 35 years.

SPTL is also referred to as Demerged Company. The equity shares of the SPTL are not listed on any stock exchanges.

Sterlite Grid 5 Limited, wholly owned subsidiary of SPTL, is inter alia engaged in the business of developing on build, own, operate and maintain basis, for designing, financing, construction and maintenance of power transmission system. SGL 5 is also referred to as The Resulting Company.

Demerged Undertaking means the all the assets and liabilities of the Demerged Company pertaining to the Infrastructure Business as on the Appointed Date.

As part of the Scheme, it is envisaged to demerge, transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company on a going concern basis.

(Demerger of Demerged Undertaking into Resulting Company is referred to as 'Transaction').

The above Scheme of Arrangement ('Scheme') is to be implemented under the provisions of sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013.

Transaction intends to achieve the following benefits for the stakeholders:

(i) unlocking the value of the Demerged Undertaking for the shareholders of the Demerged Company;
(ii) attracting investors and providing better flexibility in accessing capital;
(iii) segregating different businesses having different risk and return profiles, and providing investors with better flexibility to select investments which best suit their investment strategies and risk profile;
(iv) effective utilisation of cash flows of different businesses and limiting restrictions arising out of different terms of different lenders for different businesses;

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(v) enabling focused growth strategy for each of the businesses for exploiting opportunities specific to each business;

(vi) greater visibility on performance of each of the businesses;

(vii) operational efficiency; and

(viii) focused management approach for pursuing the growth in the respective business verticals and de-risk the businesses from each other

As per the Scheme, the appointed date for the Transaction would be 1st January 2023.

As a consideration of demerger, all the equity shareholders of SPTL would be issued equity shares of SGL 5.

Share Entitlement Ratio for this Report refers to number of equity shares of face value of INR 2/- each of SGL 5, which would be issued to the shareholders of SPTL, as a consideration for demerger of Demerged Undertaking.

We understand that consequent to the above Transaction, there will be no impact on the economic beneficial interest of the shareholders of SPTL.

For the aforesaid purpose, the Board of Directors of SPTL, has appointed TPG to recommend a Share Entitlement Ratio to be placed before the Audit Committee/ Board of Directors of SPTL as required under the provisions of sections 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013.

The scope of our services is to provide an opinion on the Share Entitlement Ratio for issue of equity shares of SGL 5 to the equity holders of SPTL, for demerger of Demerged Undertaking in accordance with generally accepted professional standards.

The current valuation does not factor impact of any event which is unusual or not in normal course of business.

This Report is our deliverable for the above engagement.

This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. The final written report shall supersede all previous oral, written, draft or interim advice or report and no reliance will be placed by you on any such oral, draft or interim advice or report other than at your own risk. No such previous versions of the report should be relied on or used by you for any purpose. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

REGISTERED VALUER – TPG & Co., Chartered Accountants

TPG & Co., Chartered Accountants, is a proprietorship firm, located at A-303, Prafulla Paradise CHS, Behind Gagangiri Enclave, Khadakpada, Kalyan (West) – 421 301, District - Thane, Maharashtra, India. TPG & Co. is providing valuation advisory services.

We are practicing Chartered Accountants firm 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/06/2018/10207.

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Disclosure of Valuer Interest or Conflict

We hereby declare that we are independent of the Specified Companies for valuation and have not been under any direct or indirect influence, which may affect the valuation exercise. We also state that we have no financial interest in the Specified Companies under valuation. We also confirm that this engagement shall be in compliance with the model code of conduct issued by IBBI vide valuation rules.

SOURCES OF INFORMATION

In connection with this exercise, we have considered the following information received from the Management:

- Draft Scheme of Arrangement;
- Shareholding pattern of the Specified Companies as at latest available date;
- Interviews and correspondence with the Management to augment our knowledge on the operations of the Specified Companies and Demerged Undertaking;
- Other information, explanations and representations that were required and provided by the Management;
- Such other analyses and inquiries, as considered necessary.

The Management has been provided with the opportunity to review the draft report as part of our standard practice to make sure that factual inaccuracies/ omissions are avoided in the final report.

PROCEDURES ADOPTED FOR ARRIVING AT FAIR VALUATION

In connection with this exercise, we have adopted the following procedures for recommendation of Share Entitlement Ratio:

- Requested and received following from the Management
  - Draft Scheme of Arrangement;
  - Shareholding pattern of the Specified Companies as at latest available date
- Discussions with the Management on understanding of the businesses of the Specified Companies and Demerged Undertaking
- Obtained and analysed data available in public domain, as considered relevant by us;
- Selection of valuation approach and valuation methodology/ (ies), in accordance with ICAI Valuation Standards ('IVS'), as considered appropriate and relevant by us
- Determination of relative values of the equity shares of the Specified Companies and Demerged Undertaking

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COMPANY BACKGROUND

SPTL

Sterlite Power Transmission Limited, a public company, is inter alia, engaged in the business of power products and solutions which mainly includes

(i) manufacturing of power transmission conductors, optical ground wire cables and power cable,
(ii) execution of Engineering, Procurement and Construction ('EPC') contracts for replacement of power transmission conductors, optical ground wire cables and power cable as a part of master system integration business; and
(iii) execution of EPC contracts for construction of power transmission systems; and
(iv) convergence services which allows for power utility infrastructure to be leveraged by telecommunication companies and other communication service providers.

SPTL, directly or indirectly, through its subsidiaries, acts as a developer on build own operate & maintain basis, for designing, financing, construction, and maintenance of power transmission systems for concessional periods ranging from 25 to 35 years.

Demerged Undertaking means the all the assets and liabilities of the Demerged Company pertaining to the Infrastructure Business and shall include investments (in form of shares or otherwise) in subsidiaries and joint ventures including investments in Sterlite Grid 13 Limited, Sterlite Grid 14 Limited, Sterlite Grid 18 Limited, Sterlite Grid 24 Limited, Sterlite Grid 26 Limited, Sterlite Grid 29 Limited and Sterlite Brazil Participacoes, S.A., Brazil.

Shareholding of SPTL

The issued and subscribed equity share capital of SPTL as at current date is INR 244.7 million consisting of 122.4 million equity shares of face value of INR 2 each. The shareholding pattern as at 22nd September 2023 is as follows:

Particulars	No. of Shares of Face Value INR 2 each	% Holding
Promoter and Promoter Group	90,620,202	74.1%
Public	31,743,602	25.9%
Total	**12,23,63,804**	**100.0%**

Source: Management Information

The Management has represented that SPTL does not have any warrants, options or other convertible instruments issued and outstanding as at the Report Date.

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SGL 5

Sterlite Grid 5 Limited, wholly owned subsidiary of SPTL, is inter alia engaged in the business of developing on build, own, operate and maintain basis, for designing, financing, construction and maintenance of power transmission system.

Shareholding of SGL 5

The issued and subscribed equity share capital of SGL 5 as at current date is INR 0.5 million consisting of 2,50,000 equity shares of face value of INR 2 each and entirely held by SPTL.

The Management has represented that SGL 5 does not have any warrants, options or other convertible instruments issued and outstanding as at the Report Date.

SCOPE, LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, financial / tax due diligence, consulting or tax related services.

Our 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 therein.

This Report, its contents and the results herein are specific to:

(i) the purpose of valuation agreed as per the terms of our engagement;
(ii) the date of this Report;

Other than as stated above, the Management has represented that

- The business activities of Specified Companies have been carried out in the normal and ordinary course between 31st March 2023 and the Report Date and no material adverse change has occurred in their respective operations and financial position between 31st March 2023 and the Report Date.
- There would be no material variation between the draft Scheme of Arrangement and the final scheme approved and submitted with the relevant authorities.

The user to which this Report is addressed should read the basis upon which the Report has been issued and be aware of the potential for later variations due to factors that are unforeseen at the Report date. An analysis of this 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 date hereof. Events and transactions 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.

In the ultimate analysis, valuation will have to capture the exercise of judicious discretion by the Valuer and judgment taking into accounts all the relevant factors. There will always be several factors, e.g. quality and integrity of the management, group support, long term contracts, size of the company, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions.

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This recommendation rendered in this Report only represents our recommendation based on information furnished by the Management (or their executives/ representatives) till 28th September 2023 and other sources as at report date and the said recommendation shall be considered to be in the nature of non-binding advice, (our opinion will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this Report.

Further, the determination of equity share entitlement ratio is not a precise science and the conclusions arrived at, in many cases will be subjective and dependent on the exercise of individual judgement. There is therefore no indisputable single equity share entitlement ratio. While our recommendation of Share Entitlement Ratio is based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Share Entitlement Ratio of the equity shares of SGL 5 to equity shareholders of SPTL. You acknowledge and agree that the you have the final responsibility for the determination of the Share Entitlement Ratio at which the Transaction shall take place will be with the Board of Directors who should take into account other factors such as their own assessment of the Transaction and input of other professional advisors.

In the course of this exercise, we were provided with both written and verbal information, including financial data. In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification:

(i) the accuracy of the information that was publicly available and formed a substantial basis for this Report; and

(ii) the accuracy of the information made available to us by the Specified Companies.

In accordance with our engagement letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated or verified the historical financial information of Specified Companies and Demerged Undertaking, provided to us by SPTL.

We have evaluated the information provided to us by the SPTL through broad inquiry, analysis and review. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements/carved out financial statements/ provisional income statements/MIS and statements of assets and liabilities of the Specified Companies and Demerged Undertaking. Also, with respect to explanations and information sought from SPTL, we have been given to understand by them that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusions are based on the assumptions and information given by/on behalf of SPTL and reliance on publicly available information. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/ results. Accordingly, we assume no responsibility for any errors in the information furnished by and on behalf of SPTL and their impact on the Report. Nothing has come to our attention to indicate that the information provided was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the Report. Also, we assume no responsibility for technical information (if any) furnished by SPTL.

We have carried out valuation in accordance with the principles laid in ICAI Valuation Standards, as applicable to the purpose and terms of this engagement.

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The Report assumes that the Specified Companies complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Specified Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/ provisional/ carved out financial statement of Specified Companies/ Demerged Undertaking. Our conclusion assumes that the assets and liabilities of Specified Companies and Demerged Undertaking, reflected in their respective latest balance sheets remain intact as of the Report date.

We are not advisors with respect to legal, tax and regulatory matters for the Transaction.

This Report does not look into the business/ commercial reasons behind the Transaction. Similarly, it does not address the relative merits of the Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

No investigation of the Management claims to title of assets has been made for the purpose of this Report and the Management claims to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

We are independent of the Client and have no current or expected interest in the Specified Companies or its assets. The fee for the engagement is not contingent upon the results reported.

We owe responsibility to only the Boards of Directors of SPTL and SGL 5 that has appointed us under the terms of our engagement letter and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the Specified Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Specified Companies, their directors, employees or agents. In no circumstances shall the liability of a Valuer or her employees, relating to the services provided in connection with the engagement set out in this Report shall exceed the amount paid to such Valuer in respect of the fees charged by it for these services.

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.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement. Further, it can not be used for purpose other than in connection with the Scheme, without our prior written consent except for the disclosures to be made to relevant regulatory authorities including Registrar of Companies, NCLT, MCA etc. In addition, we express no opinion or recommendation as to how the shareholders of either company should vote at any shareholders' meeting(s) to be held in connection with the Transaction.

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APPROACH & METHODOLOGY

Valuation Bases

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.

The Valuation bases used for the Report is 'Relative Value' as per IVS 103 issued by ICAI RVO. In transactions of the nature of merger or amalgamation of companies or merger or demerger of businesses, the consideration is often discharged primarily by issue of securities in the nature equity of the acquirer or transferee entity with references to an exchange ratio or entitlement ratio, considering the relative values. Such relative values are generally arrived at by applying an appropriate valuation approach or a combination of valuation approaches.

Premise of Value

Premise of value refers to the conditions and circumstances how an asset is deployed. Considering the nature of this exercise, we have adopted 'Going Concern' Value as the premise of value.

It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control.

The three main valuation approaches are the asset approach, income approach and market approach. There are several commonly used and accepted methods within the asset approach, income approach and market approach, for determining the relative fair value of equity shares, such as:

1. Asset Approach - Net Asset Value method
2. Income Approach - Discounted Cash Flows method
3. Market Approach
   a. Market Price method
   b. Comparable Companies Quoted Multiples method ('CCM')
   c. Comparable Transaction Multiples method ('CTM')

Asset Approach - Net Asset Value (NAV) Methodology

The asset base valuation technique is based on the value of underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the firm is to be liquidated that is, it does not meet 'going concern' criteria or in case where the assets base dominates earning capability.

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Income Approach - Discounted Cash Flows ('DCF') Method

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.

Using the 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 are available to all providers of the company's capital – both debt and equity.

- ***Appropriate discount rate to be applied to cash flows i.e. the cost of capital:***

  This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

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.

Market Price ('MP') Method

The market price of an equity shares as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

Comparable Companies' Quoted Multiple ('CCM')

Under CCM, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers incorporate all factors relevant to valuation. Further, relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

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Comparable Companies' Transaction Multiple ('CTM')

Under this method, value of the equity shares of a company/ business is arrived at by using multiple derived from valuation in comparable companies as manifest through transaction valuations. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

This valuation arrived at under the abovementioned methods could fluctuate with lapse of time, changes in prevailing market conditions and prospects, industry performance and general business and economic condition, financial and otherwise, of businesses/ companies, and other factors which generally influence the valuation of companies and their assets.

In the current case, on the basis of proposed capital structure of SGL 5 and considering the fact that shareholders of SPTL would be ultimate beneficial holders in SGL 5, there is no valuation exercise being undertaken and Share Entitlement Ratio is determined based on the intended capital structure of SGL 5. Kindly refer to below paras for further details.

SHARE ENTITLEMENT RATIO

Here, the Management proposes demerger of Infrastructure Business Undertaking of SPTL into SGL 5. The effect of demerger is that each shareholder of SPTL becomes owner of shares in two companies i.e. SPTL and SGL 5, instead of one i.e. SPTL. The Scheme does not envisage the dilution of the holding of any one or more shareholders as a result of the demerger.

Considering the above, any entitlement ratio can be considered for the above demerger, as the proportionate shareholding of any shareholder would not change.

We understand that,

- In consideration for the demerger of Demerged Undertaking, the Management proposes to issue 1 (One) equity share of SGL 5 (of INR 2/- each fully paid up) for 1 (one) equity share of SPTL (of INR 2/- each fully paid up), to the shareholders of SPTL. Once the Scheme is implemented, the existing shares of SGL 5 held by SPTL would be cancelled and the shareholding in SGL 5 would mirror the shareholding of SPTL.

The proposed demerger of Infrastructure Business Undertaking from SPTL into SGL 5 shall entail entitlement of equity shares of SGL 5 to all the equity shareholders of SPTL on a proportionate basis.

In the current instance, the issue of adjusting equity values between different shareholders that usually forms the prime consideration for determining fair entitlement ratio is not relevant and hence no valuation has been carried out.

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Based on the aforementioned, and considering that all the shareholders of SPTL shall, upon demerger, be the ultimate beneficial economic owners of SGL 5 and that upon allotment of equity shares by SGL 5, in the proposed Share Entitlement Ratio, the shareholding pattern of the SGL 5 will be the same as that of SPTL and hence their economic ownership will remain unchanged, the proposed Share Entitlement Ratio of ***1 (one)*** equity share of SGL 5 of INR 2/- each fully paid up for every ***1 (one)*** equity share of the SPTL of INR 2/- each fully paid up for the demerger of Infrastructure Business Undertaking is fair.

Our Report and Share Entitlement Ratio is based on the envisaged equity share capital structure of SGL 5. Any material variation in the equity capital structures of Specified Companies apart from the abovementioned Scheme may impact the Share Entitlement Ratio.

Respectfully submitted,

For TPG & Co
Chartered Accountants
ICAI FRN 141265W

TPG & Co. Chartered Accountants FRN No. 141265W THANE

TEJAL PRAFUL GUPTA SFA-IBBI/RV/06/2018/10207 REGISTERED VALUER

Tejal Gupta
Proprietor
Membership No: 128157
Registered Valuer, SFA – IBBI/RV/06/2018/10207
UDIN: 23128157BGYGDP4111

Annexure I - Computation of Share Entitlement Ratio

On the basis of proposed capital structure of SGL 5 and considering the fact that shareholders of SPTL would be ultimate beneficial holders in SGL 5, there is no valuation exercise being undertaken and Share Entitlement Ratio is determined based on the intended capital structure of SGL 5.

Accordingly, valuation approaches as indicated in the format as prescribed by circular number LIST/COMP/02/2017-18 of BSE has not been undertaken as they are not relevant in the instant case.

Valuation Approach	SGL 5*		Demerged Undertaking*	
	INR	weightage (%)	INR	weightage (%)
Asset Approach	NA	0%	NA	0%
Income Approach	NA	0%	NA	0%
Market Approach				
- Market Price	NA	0%	NA	0%
- CCM	NA	0%	NA	0%
- CTM	NA	0%	NA	0%
Relative Value Per Share (INR) (Rounded)	**NA**		**NA**	

* face value INR 2 per share
NA: Not Applicable / Not adopted

Share Entitlement Ratio for demerger of Demerged Undertaking into SGL 5

1 (one) equity share of SGL 5 of INR 2 each fully paid up for each ***1 (one)*** equity share of SPTL INR 2 each fully paid up

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