

Date: 07 December 2021

To,
The Board of Directors
Wheels India Limited
21, Pattulos Road, Chennai, Tamil Nadu

To,
The Board of Directors
Sundaram Hydraulics Limited
21, Pattulos Road, Chennai, Tamil Nadu

Subject: Recommendation of share exchange ratio for the proposed amalgamation of Sundaram Hydraulics Limited ('SHL') with Wheels India Limited ('WIL').

Dear Sir/ Madam,

We refer to the engagement letter dated 02 November 2021 and discussion undertaken with the Management of Wheels India Limited ('WIL' or 'Transferee Company') and Sundaram Hydraulics Limited ('SHL' or 'Transferor Company') (hereinafter both of them together referred to as 'the Management'), wherein the Management has requested Niranjan Kumar, Registered Valuer – Securities or Financial Assets ('NK', 'we' or 'us') to undertake a valuation exercise and recommend a share exchange ratio for the proposed amalgamation of SHL (Transferor Company) with WIL (Transferee Company) ('Proposed amalgamation').

Hereinafter the Management including the Board of Directors of WIL and SHL shall together be referred to as 'the Management'; the Transferor Company and Transferee Company shall together be referred to as 'Transacting Companies'.

Please find enclosed the report (comprising 15 pages including annexures) detailing our recommendation of share exchange ratio for the proposed amalgamation, the methodologies employed and the assumptions used in our analysis.

This report sets out our scope of work, background, source of information, procedures performed by us, and our recommendation of the share exchange ratio.

BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

Wheels India Limited ('WIL' or 'Transferee Company') was incorporated on 13 June 1960 and is engaged in the business of manufacturing of automotive and industrial components. Its product portfolio comprises of steel wheels and forged aluminium wheels; air suspension systems for buses, trucks and trailers; control and speciality products; and machined components for various other applications. WIL holds 16.3% equity stake in Sundaram Hydraulics Limited, 74.0% stake in WIL Car Wheels Limited and 9.5% stake in Axles India Limited (WIL Car Wheels Limited and Axles India Limited are hereinafter together referred to as 'the investee companies of WIL'). The equity shares of WIL are listed on BSE and NSE.

Sundaram Hydraulics Limited ('SHL' or 'Transferor Company') was incorporated on 07 December 2007 and is engaged in the business of design, manufacture, and distribution of hydraulic cylinders for the domestic and global MCE industry. SHL is also engaged in manufacturing of axle shafts for dump trucks and cylinders for windmill and subcontracting excavator cylinders for overseas companies. The equity shares of SHL are unlisted.

We understand that the Management of the Transacting Companies are contemplating a scheme of amalgamation, wherein they intend to amalgamate SHL with WIL; in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules"), as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued therein, in each case, as amended from time to time, and in a manner provided in the Draft Scheme of Amalgamation ('the Scheme'). Further, as consideration for the proposed amalgamation under Part II of the Scheme, equity shares of the Transferee Company would be issued to the equity shareholders of Transferor Company respectively;

The equity shares to be issued for the aforesaid proposed amalgamation will be based on the share exchange ratio as determined by the Board of Directors on the basis of the share exchange ratio report prepared by us.

In connection with the above mentioned proposed amalgamation, the Management has appointed Niranjan Kumar, Registered Valuer – Securities or Financials Assets ('NK') to submit a report recommending a share exchange ratio for the proposed amalgamation.

We would like to emphasize that certain terms of the proposed amalgamation are stated in our report, however the detailed terms of the proposed amalgamation shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme.

We understand that the appointed date for the proposed amalgamation shall be 01 October 2021 as defined in the Scheme or such other date as the competent authority may direct or approve. We have determined the share exchange ratio for the proposed amalgamation as at the report date ('Valuation Date').

The scope of our services is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of the Transacting Companies and then arrive at the share exchange ratio using internationally accepted valuation methodologies as may be applicable to the Transacting Companies including requirement prescribed by the Securities Exchange Board of India ('SEBI') Regulations as may be applicable to listed companies and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards, 2018 notified by the Institute of Chartered Accountants of India (ICAI).

The Management have informed us that:

- a) There would not be any capital variation in the Transacting Companies till the proposed amalgamation becomes effective without approval of the shareholders and other relevant authorities;
- b) Till the proposed amalgamation becomes effective, neither of the Transacting Companies would declare any dividend which are materially different from those declared in the past few years.
- c) There are no unusual/ abnormal events in the Transacting Companies other than those represented to us by the Management till the report date materially impacting their operating / financial performance.



- d) There would be no significant variation between the Scheme and the final scheme approved and submitted with the relevant authorities.

This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality and in conjunction with the relevant documents referred to therein.



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SHAREHOLDING PATTERN OF TRANSACTING COMPANIES:

a) Wheels India Limited ('WIL' or 'Transferee Company')

The equity shareholding pattern of WIL as at 30 September 2021 is set out below:

Category of shareholder	Number of shares (Face value INR 10 each)	Percentage %
Promoter and Promoter Group	1,38,43,428	57.5%
Public	1,02,21,130	42.5%
Total	2,40,64,558	100.00%

b) Sundaram Hydraulics Limited ('SHL' or 'Transferor Company')

The total number of equity shares issued by SHL and outstanding as at report date is set out below:

Particulars	Number of shares
Equity shares having face value INR 10 each	4,37,51,300

Note:

We understand that upon Part II of the Scheme being effective, the equity shares of SHL held by WIL shall stand cancelled automatically.



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SOURCES OF INFORMATION

In connection with the recommendation of share exchange ratio, we have used the following information obtained from the Management and/ or gathered from public domain:

A. Company specific information:

Information provided by the Management which includes:

- Audited standalone/ consolidated financial statements of WIL for the financial year ended 31 March 2021;
- Limited reviewed standalone/ consolidated financial statements of WIL for the six months' period ended 30 September 2021;
- Audited financial statements of SHL for the financial year ended 31 March 2021 and for the six months' period ended 30 September 2021;
- Audited financial statements for the financial year ended 31 March 2021 and limited reviewed financial statements for the six months' period ended 30 September 2021 of investee companies of WIL;
- Quarterly reported financial performance of Transacting Companies including investee companies of WIL for the trailing twelve month period ended 30 September 2021;
- Financial projections of SHL from 01 April 2021 to 31 March 2026 ('Management Projections') which represents Management's best estimate of the future financial performance of SHL;
- Shareholding pattern of WIL as at 30 September 2021; and shareholding pattern of SHL as at the report date;
- Draft scheme of amalgamation between the Transacting Companies pursuant to which proposed amalgamation is to be undertaken;
- Discussions and correspondence with the Management in connection with business operations of Transacting Companies and investee companies, past trends, proposed future business plans and prospects, realizability of assets, etc.

B. Industry and economy information:

- Information available in public domain and databases such as Capital IQ, NSE, BSE including market prices, trading volumes etc.
- Such other information and documents as provided by the Management for the purposes of this engagement.

Besides the above listing, there may be other information provided by the Management which may not have been perused by us in detail, if not considered relevant for our defined scope.

We have also considered/ obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the Management.

The Management of the Transacting Companies have been provided with the opportunity to review the draft report (excluding the recommended share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided in our report.



PROCEDURES ADOPTED

Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including, but not necessarily limited to the following:

- Discussion with the Management to:
 - Understand the business and fundamental factors that affect the business of the Transacting Companies including their earning generating capability.
 - Enquire about the historical financial performance, current state of affairs, business plans and the future performance estimates.
- Analysis of information shared by the Management.
- Reviewed the draft scheme of amalgamation between the Transacting Companies.
- Reviewed the audited financial statements of the Transacting Companies including investee companies of WIL for the financial year ended 31 March 2021;
- Reviewed the audited financial statements of SHL for the six months' period ended 30 September 2021;
- Reviewed the limited reviewed financial statements of WIL including investee companies of WIL for the six months' period ended 30 September 2021;
- Reviewed the cashflow projections provided by the Management for SHL including understanding basis of preparation and the underlying assumptions;
- Reviewed quarterly reported financial performance of Transacting Companies and investee companies of WIL for the trailing twelve month ('TTM') period ended 30 September 2021;
- Identification of suitable comparable companies for the Transacting Companies in discussion with the Management;
- Reviewed the shareholding pattern of WIL as at 30 September 2021 and shareholding pattern of SHL as at the report date;
- Selection of appropriate internationally accepted valuation methodology/ (ies) after deliberations and consideration to the sector in which the Transacting Companies and investee companies of WIL operate, analysis of the business operations and financial performance, etc.;
- Arrived at valuations of the Transacting Companies using the method/(s) considered appropriate;
- Arrived at the value of the shares after giving due weightage to the value arrived under the different methods.
- Arrived at the fair share exchange ratio for the proposed amalgamation of SHL with WIL.



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, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us.

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

- the purpose of the valuation agreed as per the terms of the engagement;
- the date of the report;
- shareholding pattern of the Transacting Companies;
- limited reviewed financial statements of WIL and audited financial statements of SHL for the six months' period ended 30 September 2021;
- limited reviewed financial statements for the six months' period ended 30 September 2021 of investee companies of WIL;
- quarterly reported financial performance of Transacting Companies and investee companies of WIL for trailing twelve months ended 30 September 2021;
- comparability of the companies considered for comparable companies multiple (CCM) Method including the financial parameters considered;
- accuracy of the information available in public domain including proprietary database with respect to comparable companies identified and their financial information considered;
- realisation of cashflow projections as provided by the Management relating to SHL;
- market price reflecting the fair value of the underlying equity shares of WIL; and
- data detailed in the section - Sources of Information

We have been informed that the business activities of the Transacting Companies have been carried out in the normal and ordinary course between the latest available financials and the report date and that no material changes have occurred in their respective operations and financial position between the latest available financial statements and the report date.

A value analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular. It is based on information made available to us as of the date of this report, events occurring after that date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the valuer and judgment taking into account the relevant factors. There will always be several factors e.g. Management capability, present and prospective yield on comparable securities, market sentiment etc., which are not evident on the face of the financial statement, but which will strongly influence the worth of a share.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Transacting Companies till the date of this report and other sources, and the said recommendation(s) shall be considered to be in the nature of non-binding advice (our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

The determination of fair value for arriving at share exchange ratio is not a precise science and the conclusions arrived at in many cases, will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single fair value. While we have provided our recommendation of the share exchange ratio based on the information available to us and within



the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the share exchange ratio at which the proposed amalgamation shall take place will be with the Board of Directors of the Transacting Companies, who should take into account other factors such as their own assessment of the proposed amalgamation and input of other advisors.

In the course of our analysis, we were provided with both written and verbal information, including market, technical, financial and operating data including information as detailed in the section – Sources of Information.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification of

- the accuracy of information that was publicly available; and
- the accuracy of information made available to us by the Management;

both of which formed a substantial basis for the report.

We have not carried out a due diligence or audit or review of the Transacting Companies for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided.

We are not legal or regulatory advisors with respect to legal and regulatory matters for the proposed amalgamation. We do not express any form of assurance that the financial information or other information as prepared and provided by the Management of the Transacting Companies is accurate. Also, with respect to explanations and information sought from the advisors, we have been given to understand by the Transacting Companies 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. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

Our conclusions are based on these assumptions and information given by/ on behalf of the Management. The Management has indicated to us that they have understood any omissions, inaccuracies or misstatements may materially affect our recommendation. Accordingly, we assume no responsibility for any errors in the information furnished by the Transacting Companies and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Transacting Companies. However, nothing has come to our attention to indicate that the information provided to us was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

The report assumes that the Transacting Companies comply fully with relevant laws and regulations applicable in all its areas of operations and that the Transacting Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration on 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 represented to us by the Management.

This report does not look into the business/ commercial reasons behind the proposed amalgamation nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the proposed amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of share exchange ratio only.



We must emphasize that the latest financials of the Transacting Companies and investee companies of WIL as at the report date were not provided by the Management for the purpose of our value analysis, however, the Management has represented that they do not expect significant change in net asset position between 30 September 2021 and report date. We have therefore considered the audited/ limited reviewed financial statements for the six months' period ended 30 September 2021 for the purpose of our analysis.

Certain terms of the proposed amalgamation are stated in our report, however the detailed terms of the proposed amalgamation shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.

The fee for the Engagement is not contingent upon the results reported.

We owe responsibility only to the Board of Directors of the Transacting Companies who have appointed us, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion. In no circumstance shall our liability exceed the amount as agreed in our Engagement Letter.

This valuation 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 or document given to third parties, other than in connection with the purpose of determining the share exchange ratio for the proposed amalgamation and relevant filing with regulatory authorities in this regard, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of WIL shall trade following announcements of the proposed amalgamation and we express no opinion or recommendation as to how shareholders of the Transacting Companies should vote at any shareholders' meetings. Our report and the opinion/ valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

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VALUATION APPROACHES

Basis and Premise of Valuation

Valuation of the Transacting Companies as on the Valuation Date is carried out in accordance with ICAI Valuation Standards ("ICAI VS"), considering 'Fair Value' base and 'going concern value' premise. Any change in the valuation base, or the valuation premise could have a significant impact on the valuation outcome of the Company.

Basis of Valuation

It means the indication of the type of value being used in an engagement. Fair Value as per ICAI VS is defined as under:

"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."

Premise of Value

Premise of Value refers to the conditions and circumstances how an asset is deployed. Valuation of the Specified Business is carried out on a Going Concern Value premise which is defined under ICAI VS as under:

"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 work force, an operational plant, the necessary licenses, systems, and procedures in place, etc."

It is pertinent to note that the valuation of any business/company or its assets is inherently imprecise and is subject to various uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions considering inter-alia dependency and financial assistance from existing shareholders and general business and economic conditions, many of which are beyond the control of the company. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the business, and other factors which generally influence the valuation of the company, its business and assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purpose, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

The following are commonly used and accepted methods for determining the value of the equity shares of a company:

1. Market Approach:
 - a) Market Price method
 - b) Comparable Companies Market Multiple method
2. Income Approach – Discounted Cash Flow method
3. Asset Approach – Net Asset Value method

For the proposed amalgamation, we have considered the following commonly used and accepted methods for determining the value of the equity shares of the Transacting Companies for the purpose of recommending the share exchange ratio, to the extent relevant and applicable:

1. Market Approach

a) Market Price Method

The market price of an equity share 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 shares 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.

In the present case, equity shares of WIL are listed on NSE, they are widely held, regularly and frequently traded with reasonable volumes on both the exchanges. We have therefore used the market price approach to value the equity shares of WIL.

Equity shares of SHL are not listed on any stock exchange. We have therefore not considered the market price method to determine the fair value of equity shares of SHL.

Since in the subject case equity shares of a listed company i.e. WIL would be issued to the shareholders of unlisted company i.e. SHL, the minimum price at which shares are to be issued is prescribed under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 issued vide notification No. SEBI/LAD-NRO/GN/2018/31 dated 11 September 2018 and as amended from time to time. The regulation reads as under:

The price of equity shares to be issued shall be determined by Regulation 164. The relevant extract of the regulations is:

Regulation 164 (Pricing of frequently traded shares)

*(1) If the equity shares of the issuer have been listed on a recognised stock exchange for a period of twenty six weeks 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 average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the **twenty-six weeks** preceding the relevant date; or*
- (b) the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the **two weeks** preceding the relevant date.*

The relevant date for the purpose of computing the price of the equity shares of WIL has been considered to be the date of the board meeting of WIL approving the Scheme in accordance with the SEBI Circulars relating to schemes of arrangement. We have therefore considered the prices upto a day prior to the relevant date i.e. price upto 06 December 2021 have been considered, to ensure that the price of WIL shares being considered for the exchange are not less than the minimum price arrived under the above formula prescribed under Regulation 164.

b) Comparable Companies Multiples ('CCM') / Comparable Transactions Multiples ('CTM') method

Under CCM, the value of shares/ business of a company is determined based on market multiples of publicly traded comparable 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. CCM applies multiples derived from similar or 'comparable' publicly traded companies. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Based on our analysis and discussion with the Management, we understand that there are comparable listed companies which operate in similar line of business and having similar business models as that of the Transacting Companies including the investee companies of WIL, we have therefore used CCM Method for valuing equity shares of the Transacting Companies.

Under CTM, the value of shares/ business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

Based on our analysis and discussion with the Management, we understand that there are no recent comparable transactions, data of which is available in public domain, involving companies of similar nature and having a similar operating/ financial metrics as that of Transacting Companies, we have therefore not used CTM method to value the shares of these Companies.

2. Income Approach – Discounted Cash Flow Method ('DCF')

DCF method values a business based upon the available cash flow a prudent investor would expect the subject business to generate over a given period of time. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the terminal value at an appropriate discount factor. The free cash flows represent the cash available for distribution to both the owners of and lenders to the business. The terminal value represents the total value of the available cash flow for all periods subsequent to the forecast period. The terminal value of the business at the end of the forecast period is estimated and discounted to its equivalent present value and added to the present value of the explicit forecast period cash flow to estimate the value of the business.

The projected free cash flows are discounted by the Weighted Average Cost of Capital (WACC) to arrive at the enterprise value. The WACC represents the returns required by the investors of both debt and equity weighed to their relative funding in the entity.

WIL is a listed company and since the information related to future financial projections of the Company is price sensitive in nature, we were not provided with the financial projections of these Companies by the Management. We have therefore not used DCF method to determine the fair value of the equity shares of WIL.

SHL is a profit making company and generates surplus cash. Going forward as well, SHL is expected to make profits and generate surplus cash in future. We have therefore used DCF method to determine the fair value of the equity shares of SHL.

3. Asset Approach - Net Asset Value Method ('NAV')

The asset-based value analysis technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This methodology is likely to be appropriate for business which derives value mainly from the underlying value of its assets rather than its earnings. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

WIL and SHL, presently operate as a going concern and would continue to do so for the foreseeable future and NAV Method does not value the future profit generating ability of the business, we have therefore not used this method to value the equity shares of WIL and SHL.



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RECOMMENDATION OF THE RATIO OF SHARE EXCHANGE FOR THE PROPOSED AMALGAMATION.

The share exchange ratio has been arrived at on the basis of a relative (and not absolute) equity value of the Transferor company and Transferee company for the proposed scheme of amalgamation based on the various methodologies mentioned herein earlier. Suitable rounding off have been carried out wherever necessary to arrive at the recommended share exchange ratio.

Refer Annexure 1 for value per share under different methods prescribed and the share exchange ratio.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above including scope, limitations and assumptions describe in this report and the engagement letter, we recommend the share exchange ratio as follows:

To the equity shareholders of SHL:

151 (One Hundred and Fifty One) equity shares of WIL having face value of INR 10 each fully paid up shall be issued for every 15,000 (Fifteen Thousand) equity shares held in SHL having face value of INR 10 each fully paid up.

Respectfully submitted,



Niranjn Kumar
Registered Valuer- Securities or Financial Assets
IBBI Registration Number: IBB/RV/06/2018/10137
ICAIRVO/06/RV-P000021/2018-19
UDIN: 21121635AAAAHV5611

Date: 07 December 2021
Place: Pune

Annexure 1: Summary of share exchange ratio

Amalgamation of SHL (Transferor Company) with WIL (Transferee Company)

Valuation Approach	WIL (A)		SHL (B)	
	Transferee company		Transferor company	
	Value per share (INR)	Weight (%)	Value per share (INR)	Weight (%)
Market approach				
-Market Price Method	760.50	50.0%	NA	0.0%
-Comparable Companies Multiple (CCM) Method	830.71	50.0%	7.89	50.0%
Income approach - Discounted Cash Flows Method	NA	0.0%	8.13	50.0%
Asset approach - NAV Method	NA	0.0%	NA	0.0%
Relative value per share	795.61	(A)	8.01	(B)
Share Exchange Ratio Round Off [(B/A)]				0.0101
Recommended Share Exchange Ratio : (For every 15,000 equity shares)				151

NA: Not Adopted

Notes:

1) Market Approach – Market Price Method

The equity shares of SHL are not listed on any stock exchange, we have therefore not considered market price method to determine the fair value of equity shares of SHL.

2) Income Approach- Discounted Cash Flow Method

WIL is a listed company and since the information related to future financial projections of the Company is price sensitive in nature, we were not provided with the financial projections of WIL by the Management. We have therefore not used DCF method to determine the fair value of the equity shares of WIL.

3) Asset Approach- NAV Method

WIL and SHL, presently operate as a going concern and would continue to do so for the foreseeable future and NAV Method does not value the future profit generating ability of the business, we have therefore not used this method to value the equity shares of WIL and SHL.

