



**M K SAMDANI & CO.**  
**COMPANY SECRETARIES**

**Annexure V**

**To,**  
The Chief General Manager  
Listing Operation,  
**BSE Limited,**  
20<sup>th</sup> Floor, P.J. Towers,  
Dalal Street,  
Mumbai – 400001.

**Sub: Application for “In-Principle Approval” for issue and allotment of 1,92,50,000 (One Crore Ninety Two Lakhs Fifty Thousand) equity shares (“Equity Shares”) and 3,57,50,000 (Three Crore Fifty Seven Lakhs Fifty Thousand) warrants convertible into equity shares (“Warrants”) by SAL Steel Limited (the “Company”) in terms of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulation, 2018, as amended (“SEBI ICDR Regulations”).**

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Dear Sir/Madam,

1. We, M K Samdani & Co., Practicing Company Secretary, hereby certify that the minimum issue price for the proposed preferential issue of SAL Steel Limited, based on the pricing formula prescribed under Regulation 164 / 165 of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 has been worked out at ₹ 17.98/-.
2. The relevant date for the purpose of said minimum issue price was Tuesday, August 26, 2025.
3. The workings for arriving at such minimum issue price have been attached herewith as **Annexure 1** and the valuation report from the Independent Registered Valuer have been attached herewith as **Annexure 2**.
4. 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 on National Stock Exchange of India Limited as given in **Annexure 1**.
5. We hereby certify that the Articles of Association of the issuer does not provide for a method of determination which results in a floor price higher than that determined under ICDR Regulations, 2018.

**For, M K SAMDANI & Co.,**  
**Practicing Company Secretary**

**MEGHA KAMAL SAMDANI**  
**PROPRIETOR**  
**MEMBERSHIP No.: 41630**  
**UDIN: A041630G001174817**

**Date:** September 04, 2025  
**Place:** Ahmedabad



**M K SAMDANI & CO.**  
**COMPANY SECRETARIES**

**Annexure 1**

**Calculation of minimum issue price as prescribed under Chapter V of the SEBI ICDR Regulations**

<b>Company name</b>	SAL Steel Limited,
<b>Relevant Date:</b>	Tuesday, August 26, 2025
<b>Date of Annual General Meeting (AGM):</b>	Friday, September 26, 2025

**Computation of Frequency test for trading of equity shares**

The details of the stock exchanges 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 is as under:

<b>Name of the Stock Exchange</b>	<b>Trading volume</b>
National Stock Exchange of India Limited	31,47,807
BSE Limited	21,46,256

**Calculation of VWAP**

**NSE Trading Data**

<b>Date</b>	<b>No. of Shares</b>	<b>Total Turnover (Rs.)</b>
25-Aug-25	270,994	4,896,299.84
22-Aug-25	328,190	5,728,840.00
21-Aug-25	235,710	3,968,517.81
20-Aug-25	135,508	2,189,899.73
19-Aug-25	153,401	2,409,567.04
18-Aug-25	110,554	1,762,086.62
14-Aug-25	137,096	2,144,050.98
13-Aug-25	175,322	2,690,423.44
12-Aug-25	121,790	1,937,742.29
11-Aug-25	102,164	1,622,064.79
8-Aug-25	46,998	754,749.81
7-Aug-25	89,270	1,429,759.49
6-Aug-25	244,314	4,030,817.73
5-Aug-25	108,122	1,768,339.68
4-Aug-25	71,542	1,175,161.79
1-Aug-25	564,001	10,054,744.54
31-Jul-25	1,143,184	19,843,206.33
30-Jul-25	54,012	854,166.50
29-Jul-25	20,225	322,281.97
28-Jul-25	43,364	686,681.84
25-Jul-25	51,274	826,227.08
24-Jul-25	42,122	679,899.27
23-Jul-25	124,296	2,029,128.46
22-Jul-25	49,572	821,146.11
21-Jul-25	79,428	1,322,210.64
18-Jul-25	39,976	671,558.20
17-Jul-25	114,324	1,926,765.88
16-Jul-25	96,655	1,643,143.55



**M K SAMDANI & CO.**  
**COMPANY SECRETARIES**

Date	No. of Shares	Total Turnover (Rs.)
15-Jul-25	59,779	1,021,766.66
14-Jul-25	41,707	711,032.76
11-Jul-25	60,884	1,043,295.15
10-Jul-25	99,543	1,710,528.88
9-Jul-25	57,742	1,016,260.95
8-Jul-25	117,295	2,123,596.68
7-Jul-25	439,808	7,916,331.01
4-Jul-25	54,024	928,732.92
3-Jul-25	55,274	944,767.75
2-Jul-25	70,558	1,198,612.45
1-Jul-25	52,196	899,083.22
30-Jun-25	29,079	501,679.89
27-Jun-25	44,714	773,128.44
26-Jun-25	44,896	771,281.73
25-Jun-25	61,688	1,058,356.70
24-Jun-25	45,538	777,965.41
23-Jun-25	67,112	1,121,702.06
20-Jun-25	70,757	1,183,521.69
19-Jun-25	59,932	1,015,606.33
18-Jun-25	229,395	3,909,477.36
17-Jun-25	69,280	1,258,575.89
16-Jun-25	44,593	790,038.19
13-Jun-25	39,981	720,452.56
12-Jun-25	72,488	1,306,727.32
11-Jun-25	195,751	3,573,310.74
10-Jun-25	75,873	1,388,248.06
9-Jun-25	85,107	1,551,714.49
6-Jun-25	42,884	780,032.70
5-Jun-25	45,175	824,561.74
4-Jun-25	35,801	650,293.74
3-Jun-25	55,288	1,005,035.25
2-Jun-25	174,944	3,154,891.01
30-May-25	73,964	1,352,362.22
29-May-25	111,429	2,053,345.92
28-May-25	48,516	879,154.44
27-May-25	53,885	978,639.10
26-May-25	84,573	1,534,583.54
23-May-25	71,131	1,280,687.11
22-May-25	76,942	1,392,233.05
21-May-25	77,322	1,400,025.23
20-May-25	88,311	1,591,976.86
19-May-25	67,747	1,241,968.42
16-May-25	165,463	2,998,921.80
15-May-25	198,574	3,604,526.50
14-May-25	165,510	2,936,843.59
13-May-25	570,648	9,828,456.61
12-May-25	633,764	11,132,536.32
9-May-25	177,998	3,115,066.53
8-May-25	262,580	4,854,354.12



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Date	No. of Shares	Total Turnover (Rs.)
7-May-25	139,056	2,632,447.48
6-May-25	861,621	17,363,457.57
5-May-25	37,075	700,254.46
2-May-25	59,329	1,130,315.20
30-Apr-25	136,434	2,712,036.43
29-Apr-25	63,061	1,255,416.53
28-Apr-25	45,114	890,439.70
25-Apr-25	170,606	3,443,999.44
24-Apr-25	237,092	5,018,580.07
23-Apr-25	379,678	7,723,175.41
22-Apr-25	131,352	2,542,382.13
21-Apr-25	74,506	1,461,224.37
17-Apr-25	180,660	3,513,987.07

<b>i) Weighted Average Price of the relevant 90 Trading Days (NSE)</b>	
Total Trading Turnover for the past 90 Trading Days	23,03,83,488.36
Total Shares Traded for the past 90 Trading Days	1,28,96,435
<b>90 Trading Days Volume Weighted Average Market Price</b>	<b>17.86</b>

<b>ii) Weighted Average Price of the relevant 10 Trading Days (NSE)</b>	
Total Trading Turnover for the past 10 Trading Days	17,70,729
Total Shares Traded for the past 10 Trading Days	2,93,49,492.54
<b>10 Trading Days Volume Weighted Average Market Price</b>	<b>16.57</b>

<b>Fair Market Value of SAL Steel Limited</b>	
i) Weighted Average Price of the relevant 90 Trading Days	17.86
ii) Weighted Average Price of the relevant 10 Trading Days	16.57
<b>Higher of 90 Trading Days and 10 Trading Days price</b>	<b>17.86</b>

Thanking You,

Yours Faithfully,

**For, M K SAMDANI & Co.,**  
**Practicing Company Secretary**

**MEGHA KAMAL SAMDANI**  
**PROPRIETOR**

**Date: September 04, 2025**

**Place: Ahmedabad**



Date: 3<sup>rd</sup> September, 2025

To,  
**The Board of Directors**  
**S A L Steel Limited**  
 5/1 Shreeji House, 5<sup>th</sup> Floor,  
 Behind M. J. Library,  
 Ashram Road, Ahmedabad – 380 006

Dear Sirs,

**Sub: Valuation of equity shares of S A L Steel Limited**

I refer to the engagement letter dated 1<sup>st</sup> September, 2025 whereby, S A L Steel Limited (CIN: L29199GJ2003PLC043148) (hereinafter referred to as “SSL” or “the Company”) has appointed Yash K. Mehta (Valuer Registration No.: IBBI/RV/06/2019/11647) (hereinafter referred to as “I”/ “me”) to issue a valuation report recommending fair value of equity shares of SSL. Based on the discussions I have had with and information that I have received from the management of the Company (hereinafter referred to as “the management”) with respect to the captioned matter, I submit my valuation report (“the report”) as under:

**BACKGROUND INFORMATION**

SSL is a company incorporated under the Companies Act, 1956 having its Registered Office at 5/1 Shreeji House, 5<sup>th</sup> Floor, Behind M. J. Library, Ashram Road, Ahmedabad – 380 006, Gujarat, India. The Company is engaged in manufacture of Sponge Iron and Ferro Alloys. The Company also has a captive power plant of 40 MW capacity. The equity shares of SSL are listed on BSE Limited (‘BSE’) and National Stock Exchange of India Limited (‘NSE’), and are frequently traded on the latter.

**The share capital structure of the Company as on the date of the report is as under:**

<b>Authorised Share Capital<sup>#</sup></b>	<b>Amount in Rs.</b>
14,00,00,000 Equity Shares of Rs.10/- Each	1,40,00,00,000
<b>Total</b>	<b>1.40,00,00,000</b>
<b>Issued, Subscribed &amp; Paid Up Share Capital</b>	<b>Amount in Rs.</b>
8,49,66,700 Equity Shares of Rs.10/- Each fully paid up	84,96,67,000
<b>Total</b>	<b>84,96,67,000</b>

<sup>#</sup>As per Ministry of Corporate Affairs (MCA) website

**The shareholding pattern of the Company as on 30<sup>th</sup> June, 2025 is as under:**

<b>Particulars</b>	<b>No. of Equity Shares</b>	<b>% Shareholding</b>
<b>Promoter &amp; Promoter Group</b>	<b>4,29,59,495</b>	<b>50.56%</b>
Shah Alloys Limited	3,02,56,989	35.61%
SAL Care Private Limited*	1,27,02,506	14.95%
<b>Public</b>	<b>4,20,07,205</b>	<b>49.44%</b>
<b>Total</b>	<b>8,49,66,700</b>	<b>100.00%</b>

\*Mr. Karan R. Shah is the Significant Beneficial Owner of these shares





**Yash Mehta** ACS, FCA, Regd. Valuer (SFA)

**Office:** B-403, The First, Beside ITC Narmada Hotel, Vastrapur, Ahmedabad - 380 015 Gujarat, India

**E-mail:** info@ykmehtha.com | **Phone:** +91 79 2970 2975/ 76/ 77

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I have been informed by the management that the Company is evaluating a proposal of raising funds through issue of equity shares and/ or any other equity-linked or convertible securities including warrants through preferential issue and/or any other permissible mode(s). I have further been informed by the management that the proposed transactions will result in the allottee(s) holding a significant stake in the post-issue Shareholding of the Company.

## **PURPOSE OF VALUATION AND APPOINTING AUTHORITY**

I have been appointed by the Company acting through its Board of Directors as an independent valuer for recommending the fair value of Equity Shares of SSL.

The bases of value is 'Fair Value' and the valuation is based on a 'Going Concern' premise.

SSL, being a listed Company (listed on BSE and NSE), the provisions of Part IV ('Pricing') of Chapter V ('Preferential Issue') of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR") are applicable for pricing of the aforementioned proposed issue via the preferential issue mode. Regulation 166A of the same requires that any preferential issue, which may result in a change in control or allotment of more than five percent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price.

Thus, valuation is required by the Company for the following purposes –

- i) as a basis for determining the share price for preferential issue of equity shares of the Company for cash under SEBI ICDR; and
- ii) for filings, if any, with various regulatory authorities as per the extant laws.

## **IDENTITY OF THE VALUER**

Yash K. Mehta is registered under Companies (Registered Valuers and Valuation) Rules, 2017 to act as a valuer in respect of Securities or Financial Assets and has been granted Certificate of Registration No. IBBI/RV/06/2019/11647.

## **DATE OF APPOINTMENT AND VALUATION DATE**

I have been appointed as an independent valuer for determining the fair value of the Equity Shares of the Company via engagement letter dated 1<sup>st</sup> September, 2025.

**The valuation date considered for the purpose of this report is 26<sup>th</sup> August, 2025. The cut-off date for necessary market price related exercises is taken as 25<sup>th</sup> August, 2025.**

## **NATURE AND SOURCES OF THE INFORMATION USED OR RELIED UPON**

The following information, verbally or in written form has been, inter-alia, used in the valuation:





- Audited Standalone Financial Statements of the Company for financial years ended on 31<sup>st</sup> March, 2025, 31<sup>st</sup> March 2024 & 31<sup>st</sup> March, 2023 and Unaudited Limited Reviewed Financial Statements for quarter ended on 30<sup>th</sup> June, 2025
- Business Profile and Shareholding Pattern of the Company
- Undertaking(s) by the promoters and the management relevant to the valuation assumptions
- Selected documents maintained under the Companies Act and other applicable laws
- Projections of the Company as provided by the management for Financial Years 2025-26 (part) to FY 2029-30 ("explicit period"). It may be noted that the explicit period has been chosen considering the visibility of cash-flows as envisaged by the management.
- Background information provided by the management through emails, documents or during discussions
- The domestic and global economic scenario and prospects for the industry(ies) the Company operates in as gathered from the public domain.

In addition to the above, such other information and explanations from the management as were considered relevant for the purpose of the valuation have also been obtained.

It may be noted that the management has been provided opportunity to review the factual information in the report vide a draft which is a standard practice to make sure that factual inaccuracies, omissions etc. are avoided in the Report.

Furthermore, the management has informed that there has been no material change in the business, the operations, the financial condition or the assets of the Company between the date of the its most recent financial statements provided and the valuation date.

#### **VALUATION STANDARDS FOLLOWED, PROCEDURES ADOPTED, INSPECTIONS & INVESTIGATIONS UNDERTAKEN AND MAJOR FACTORS TAKEN INTO ACCOUNT**

The valuation analysis has been performed, to the extent possible, in accordance with the Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India. In connection with this exercise, I have, inter alia, taken into account:

- Necessary information as requested and received from the management
- Discussions with the management on understanding of the businesses of the Company
- Analysis of the present and proposed shareholding structure post the transaction as provided by the management
- Data available in public domain, as considered relevant
- Selection of valuation approach and valuation methodology/ (ies), in accordance with the valuation standards, as considered appropriate and relevant





There are three main valuation approaches viz.

- (a) Cost approach
- (b) Market approach
- (c) Income approach

*(a) Cost approach*

In case of the cost approach, the value is determined by dividing the net assets of the company by the number of shares. Situations where the cost approach is typically applied are when an asset can be quickly recreated with substantially the same utility as the asset to be valued or in case where liquidation value is to be determined or income approach and/ or market approach cannot be used.

The business of the Company is intended to be continued on a going concern basis and there is no intention to dispose-off the assets. Furthermore, income approach and/ or market approach can appropriately be adopted for the valuation of the equity shares of the Company. Hence, the fair value of equity shares of the Company has not been recommended using the cost approach.

*(b) 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:

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

The following valuation methods are commonly used under the market approach:

*(i) Market Price Method*

Under this method, the market price of an equity share of a company as quoted on a recognized stock exchange is normally considered as the value of the equity shares of that company. The average of traded price observed over a reasonable period is considered to reduce the impact of volatility or any one-time event on the market price.

*(ii) Comparable Companies Multiple (CCM) Method*

Under the CCM method, the value of the equity shares is determined on the basis of multiples derived from market valuations of comparable companies which are listed on a recognized stock exchange. While identifying and selecting the market comparables, due consideration is given to the industry to which a company being valued belongs, its geographic area of operations, similarities in line of business or economic forces, differences in size of a company being valued and the comparable etc. The relevant multiples chosen need to be adjusted for the differences in circumstances.





(iii) Comparable Transaction Multiple (CTM) Method

Comparable Transaction Multiple (CTM) method, also known as 'Guideline Transaction Method' involves valuing the shares of a company based on transaction multiples derived from prices paid in case of comparable transactions. Like in CCM, relevant multiples chosen need to be adjusted for the differences in the circumstances.

The equity shares of the Company are listed at BSE & NSE and are frequently traded on the latter. The Market Price Method within the Market approach has thus been used as one of the methods to arrive at the value of equity shares of the Company. Due regard has been given to the relevant pricing provisions of SEBI ICDR for preferential issue.

*(c) 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 capitalised) 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 to a single present value.

The Discounted Cash Flow ("DCF") method within the Income Approach has been used as one of the methods to arrive at the fair value of equity shares of the Company. The DCF process has been detailed under the relevant section of the report.

In connection with this assignment of valuation, I have requested and received financial and qualitative information from the management. The information provided by the management is the primary basis for forming an opinion as to the fair value of the equity shares of the Company. While I have reviewed the information provided to me for overall consistency with the nature of the business, the same has been assumed to be correct unless the contrary can be reasonably established. The valuation of SSL under the Income Method is based on the future projected earnings from which the actual earnings may vary.

The Company is also assumed to be the lawful owner of the assets represented in their latest financial statements which are subject to claims as represented by the liabilities presented in their financial statements respectively and no independent investigation has been undertaken to confirm these ownership or claims. The historical figures of the Company used in this report, if any, are only for the purpose of assisting in arriving at the value of the businesses and the same have not been audited as a part of the valuation exercise.

**With respect to using the Market Price Method within the Market approach to arrive at the value of Equity Shares of the Company, the following points are highlighted:**

The equity shares of SSL are listed on BSE & NSE. Furthermore, the shares are frequently traded on NSE. Volume weighted average price of SSL as observed on NSE over a reasonable period has been used to arrive at the value per equity share of SSL as on the Valuation Date. The calculation has been detailed in **Annexure - II** of this report.

Assuming 26<sup>th</sup> August, 2025 as the relevant date, the price computed as above is in consonance with the pricing provisions of preferential issue specified under sub-regulation (1) of Regulation 164 of SEBI ICDR which provides for the price to be higher of the following.





- a. the 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or
- b. the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

**Various factors were taken into account and appropriate procedures were followed while using the DCF Method within the Income approach. The following points are highlighted:**

*Estimation of Net Free Cash Flows*

For the purpose of valuation, I have reviewed the projections given to me by the management for overall consistency and have applied checks to the same for accepting the same for the purpose of this exercise. Based on the discussions with the management and usage of available information, the assumptions that have been made related to continued availability of funds to SSL including extension of tenor or refinancing of outstanding Inter-corporate Deposit at comparable terms and several other external factors have been checked for reasonableness for the purpose of this exercise. Furthermore, the projections provided for this valuation exercise are based on current available capacity and no significant capex has been assumed.

Within the DCF method, the Free Fund Flow to Firm (FCFF) approach has been used as base. Beginning with Net Operating Profits After Tax (NOPAT), depreciation & other non-cash items, if any, have been added back. The resultant amounts have been adjusted by capital outlays and changes in net working capital so as to arrive at the FCFF in the respective future years of the explicit period. An assumption regarding the effective tax rates over the explicit period have been made considering the historicals for the Company and the present regulatory environment while computing the NOPAT. A terminal value at the end of the explicit period has been assumed considering an appropriate perpetuity growth rate.

*Impact of Outstanding Share Warrants*

The Company has 48,00,000 outstanding warrants issued during FY 2024-25 at an issue price of Rs. 25.00 per share, with Rs. 18.75 per share remaining payable. The warrant holder has expressed intent to exercise the entitlement attached to aforementioned warrants to subscribe to Equity Shares by paying the unpaid balance. Accordingly, potential equity dilution arising from the conversion of these warrants into equity shares has been taken into account at zero date while arriving at the fair value per share. Corresponding additions have also been made to the cash & bank balances to capture the expected fund infusion.

*Weighted Average Cost of Capital of the Company*

The Weighted Average Cost of Capital ('WACC') is the discount rate that is used to discount the expected future cash flows into present value. The estimate of the WACC must comprise of weighted average of the cost of all sources of capital: debt, equity and preference since FCFF represents cash available to all providers of capital. The Company has no issued preference share capital and the target capital structure has been used to derive the weights for debt and for equity for arriving at the WACC applicable for discounting the future cash flows. The calculation of Cost of Equity & Cost of Debt is as under:





### *Cost of Equity & Cost of Debt*

The risk-free rates of return and risk premium expectations for an Investor form the basis of the Cost of Equity. The Capital Asset Pricing Method ('CAPM') as a basis for estimating Cost of Equity ('Ke'). The government bond yields of an appropriate duration have been used to estimate the risk-free rate. The computation of Ke through the CAPM method requires Beta as one of the inputs. Beta is a measure of systematic (undiversifiable) risks that a company would be facing. The cost of debt considered is the after-tax cost of debt based on an estimated rate of interest and the effective tax rate.

### *Enterprise Value and Equity Value of the Company*

The total enterprise value of the company is the sum total of the discounted value of the net cash flows for the explicit period plus the present value of Terminal value. The Enterprise Value of the Company is further adjusted for outstanding debt and cash & bank balances to arrive at the value of the Equity Value.

The calculations as per Income Approach has been summarized in **Annexure - III** of this report.

The Valuation Approaches & Methodologies applied for arriving at the fair values of SSL and the results of the same have been summarized at **Annexure – I** of this report. Since the proposed transactions will result in the allottee(s) holding a significant stake in the post-issue Shareholding of the Company, a further addition of 20% has been made to the Weighted Average Equity Price per share as control premium to arrive at the Final Equity Price per share of the Company.

### **DISCLOSURE OF VALUER INTEREST OR CONFLICT**

I have been appointed as an independent valuer for recommending fair value of equity shares of SSL for preferential issue for cash. I am independent of the Company and have no current or expected interest in the Company or its assets. The fee paid for my services in no way influenced the results of my analysis.

### **CONCLUSION**

**In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, I estimate the fair value as Rs. 17.98 per equity share of SSL of nominal value Rs. 10/- each as on the valuation date.**

### **RESTRICTIONS ON USE OF THE REPORT**

The Valuation Report has been issued to the management of SSL for its own consumption as well as for complying with the applicable laws. This report should not be copied or reproduced without obtaining prior written approval for any purpose other than the purpose for which it has been prepared (please refer section titled "Purpose of valuation and appointing authority" for more details). The report may however be shared with any regulatory/ statutory authorities for the purpose for which it is prepared, if required. 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 to the aforesaid purpose of valuation without a prior written consent.





## CAVEATS, LIMITATIONS AND DISCLAIMERS

- 1) While the valuation exercise has involved an analysis of financial information and accounting records, the engagement does not include an audit in accordance with generally accepted auditing standards of the Company's existing business records. Accordingly, I assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and on behalf of you and the Company respectively. The report is subject to the scope and 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.
- 2) The valuation of companies and businesses is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value and I normally express an opinion on the value as falling within a likely range. However, as the nature of engagement requires the expression of a single value, I have adopted a value at the mid-point of the valuation range. Whilst I consider the value/ range of values to be both reasonable and defensible based on the information available to me, others may place a different value.
- 3) The valuation conclusion as per this report will not necessarily be the price at which any transaction proceeds. The final equity value is something on which the parties themselves have to agree. I also emphasize that my opinion is not the only factor that should be considered by the parties in agreeing the equity value. The Valuation report should not be construed as a recommendation to make or divest any investment in the Company and I do not express any opinion on the suitability or otherwise of entering into any transaction with the Company.
- 4) An analysis of such nature is necessarily based on the prevailing financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to me as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and I do not assume any obligation to update, revise or reaffirm this Report.
- 5) In the course of the valuation, I was provided with both written and verbal information. I have evaluated the information provided to me through broad inquiry, analysis and review but 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. This report is issued on the understanding that the management has drawn my attention to all material information, which it is aware of concerning its financial position and any other matter, which may have impact on my opinion of the fair value of equity. If the information provided to me is revised in any form or manner, the valuation may need to be updated. Any projections of future events described in this report or used during the course of valuation represent the general expectancy concerning such events as at the time of issuance of the Report as envisaged by the management. These future events may or may not occur as anticipated. Further, there may be matters, other than those noted in this report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- 6) While arriving at the fair value, certain assumptions have been made related to continued availability of statutory and regulatory approvals. These represent the general expectancy concerning such events as at the time of issuance of the Report as envisaged by the management. Furthermore, unless 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 litigations and other contingent liabilities that are not recorded/ reflected in the financials provided to me.





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- 7) I have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, I assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where I have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and/or reproduced in its proper form and context.



Y.K. Mehta.

CS YASH K. MEHTA

(M. No.: A43020 | CP No. 27987)

Valuer Registration No.: IBBI/RV/06/2019/11647

UDIN: A043020G001153118

**Summary- Valuation Approaches & Methodologies Applied**

Valuation Approach & Method	Equity Value Per share (Rs.)	Weight	Remarks
Market Approach – Market Price Method	17.86	50%	In this method, value for SSL is arrived at using the Market Price method within the Market approach considering the share prices observed on NSE over a reasonable period.
Market Approach – CCM			
Market Approach – CTM			
Income Approach – DCF Method	12.10	50%	In this method, the value of SSL is arrived at using the DCF Method within the Income Approach.
Cost Approach	NA	0%	The business of SSL is intended to be continued on a going concern basis and there is no intention to dispose-off the assets. Furthermore, income approach and/ or market approach can appropriately be adopted. I have, therefore, not considered Cost approach while arriving at the value of equity shares of SSL.
<b>Weighted Average Value per Equity Share of Rs. 10/- each:</b>		<b>14.98</b>	
<b>Add: Control Premium (20%)^</b>		<b>3.00</b>	
<b>Fair Value Per Equity Share</b>		<b>17.98 *</b>	

**^Guidance on Control Premium:** Since the proposed transactions will result in the allottee(s) holding a significant stake in the post-issue Shareholding of the Company, a further addition of 20% has been made to the Weighted Average Equity Price per share as control premium to arrive at the Final Equity Value of the Company.

**\*Floor Price:** 1<sup>st</sup> Proviso to Regulation 166A of SEBI ICDR mandates the floor price to be higher of the floor price determined under Regulation 164 OR the price determined under the valuation report. Assuming the valuation date as the relevant date, the floor price is Rs. 17.98/-.



Y. K. Mehta.

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**Annexure - II**Date: 3<sup>rd</sup> September, 2025**Calculation of value per share of SSL as per Market price method (Market Approach) based on quoted prices on NSE**

Date	Traded Value (Rs.)	Traded Volume (Nos.)	VWAP
25-Aug-25	48,96,299.84	2,70,994	18.07
22-Aug-25	57,28,840.00	3,28,190	17.46
21-Aug-25	39,68,517.81	2,35,710	16.84
20-Aug-25	21,89,899.73	1,35,508	16.16
19-Aug-25	24,09,567.04	1,53,401	15.71
18-Aug-25	17,62,086.62	1,10,554	15.94
14-Aug-25	21,44,050.98	1,37,096	15.64
13-Aug-25	26,90,423.44	1,75,322	15.35
12-Aug-25	19,37,742.29	1,21,790	15.91
11-Aug-25	16,22,064.79	1,02,164	15.88
08-Aug-25	7,54,749.81	46,998	16.06
07-Aug-25	14,29,759.49	89,270	16.02
06-Aug-25	40,30,817.73	2,44,314	16.50
05-Aug-25	17,68,339.68	1,08,122	16.36
04-Aug-25	11,75,161.79	71,542	16.43
01-Aug-25	1,00,54,744.54	5,64,001	17.83
31-Jul-25	1,98,43,206.33	11,43,184	17.36
30-Jul-25	8,54,166.50	54,012	15.81
29-Jul-25	3,22,281.97	20,225	15.93
28-Jul-25	6,86,681.84	43,364	15.84
25-Jul-25	8,26,227.08	51,274	16.11
24-Jul-25	6,79,899.27	42,122	16.14
23-Jul-25	20,29,128.46	1,24,296	16.32
22-Jul-25	8,21,146.11	49,572	16.56
21-Jul-25	13,22,210.64	79,428	16.65
18-Jul-25	6,71,558.20	39,976	16.80
17-Jul-25	19,26,765.88	1,14,324	16.85
16-Jul-25	16,43,143.55	96,655	17.00
15-Jul-25	10,21,766.66	59,779	17.09
14-Jul-25	7,11,032.76	41,707	17.05
11-Jul-25	10,43,295.15	60,884	17.14
10-Jul-25	17,10,528.88	99,543	17.18
09-Jul-25	10,16,260.95	57,742	17.60
08-Jul-25	21,23,596.68	1,17,295	18.10
07-Jul-25	79,16,331.01	4,39,808	18.00
04-Jul-25	9,28,732.92	54,024	17.19
03-Jul-25	9,44,767.75	55,274	17.09
02-Jul-25	11,98,612.45	70,558	16.99
01-Jul-25	8,99,083.22	52,196	17.23
30-Jun-25	5,01,679.89	29,079	17.25
27-Jun-25	7,73,128.44	44,714	17.29
26-Jun-25	7,71,281.73	44,896	17.18
25-Jun-25	10,58,356.70	61,688	17.16
24-Jun-25	7,77,965.41	45,538	17.08
23-Jun-25	11,21,702.06	67,112	16.71
20-Jun-25	11,83,521.69	70,757	16.73
19-Jun-25	10,15,606.33	59,932	16.95

Date	Traded Value (Rs.)	Traded Volume (Nos.)	VWAP
18-Jun-25	39,09,477.36	2,29,395	17.04
17-Jun-25	12,58,575.89	69,280	18.17
16-Jun-25	7,90,038.19	44,593	17.72
13-Jun-25	7,20,452.56	39,981	18.02
12-Jun-25	13,06,727.32	72,488	18.03
11-Jun-25	35,73,310.74	1,95,751	18.25
10-Jun-25	13,88,248.06	75,873	18.30
09-Jun-25	15,51,714.49	85,107	18.23
06-Jun-25	7,80,032.70	42,884	18.19
05-Jun-25	8,24,561.74	45,175	18.25
04-Jun-25	6,50,293.74	35,801	18.16
03-Jun-25	10,05,035.25	55,288	18.18
02-Jun-25	31,54,891.01	1,74,944	18.03
30-May-25	13,52,362.22	73,964	18.28
29-May-25	20,53,345.92	1,11,429	18.43
28-May-25	8,79,154.44	48,516	18.12
27-May-25	9,78,639.10	53,885	18.16
26-May-25	15,34,583.54	84,573	18.15
23-May-25	12,80,687.11	71,131	18.00
22-May-25	13,92,233.05	76,942	18.09
21-May-25	14,00,025.23	77,322	18.11
20-May-25	15,91,976.86	88,311	18.03
19-May-25	12,41,968.42	67,747	18.33
16-May-25	29,98,921.80	1,65,463	18.12
15-May-25	36,04,526.50	1,98,574	18.15
14-May-25	29,36,843.59	1,65,510	17.74
13-May-25	98,28,456.61	5,70,648	17.22
12-May-25	1,11,32,536.32	6,33,764	17.57
09-May-25	31,15,066.53	1,77,998	17.50
08-May-25	48,54,354.12	2,62,580	18.49
07-May-25	26,32,447.48	1,39,056	18.93
06-May-25	1,73,63,457.57	8,61,621	20.15
05-May-25	7,00,254.46	37,075	18.89
02-May-25	11,30,315.20	59,329	19.05
30-Apr-25	27,12,036.43	1,36,434	19.88
29-Apr-25	12,55,416.53	63,061	19.91
28-Apr-25	8,90,439.70	45,114	19.74
25-Apr-25	34,43,999.44	1,70,606	20.19
24-Apr-25	50,18,580.07	2,37,092	21.17
23-Apr-25	77,23,175.41	3,79,678	20.34
22-Apr-25	25,42,382.13	1,31,352	19.36
21-Apr-25	14,61,224.37	74,506	19.61
17-Apr-25	35,13,987.07	1,80,660	19.45

Particulars	Rs.
the 90 trading days' VWAP of the related equity shares quoted on NSE preceding the valuation date	17.86
the 10 trading days' VWAP of the related equity shares quoted on NSE preceding the valuation date	16.57
whichever is higher	17.86



**Y. K. MEHTA .**  
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Annexure – III

Date: 3<sup>rd</sup> September, 2025

Snapshot of calculation of fair value per share of SSL as per DCF method (Income Approach)

**Cash Flows:**

(Rs. in crores, unless otherwise stated)

Particulars	01-Jul-25 31-Mar-26	01-Apr-26 31-Mar-27	01-Apr-27 31-Mar-28	01-Apr-28 31-Mar-29	01-Apr-29 31-Mar-30
FCFF	16.29	37.43	37.29	38.22	38.15
Discounting Factor	0.8973	0.7785	0.6754	0.5860	0.5084
Discounted FCFF	14.61	29.14	25.19	22.39	19.40
PV of Explicit Cash Flows					110.73
PV of Terminal Value					170.68
<b>Enterprise Value</b>					<b>281.41</b>
Less: Debt					181.99
Add: Cash					9.19
<b>Equity Value</b>					<b>108.61</b>
Total No. of Equity Shares					8,97,66,700
<b>Equity Value Per Share (in Rs.)</b>					<b>12.10</b>

Calculation of WACC	Values
Risk Free Rate ( $R_f$ )	6.62%
Equity Risk Premium ( $R_m - R_f$ )	7.46%
Beta ( $\beta$ )	1.51
Cost of Equity ( $K_e$ )	17.89%
Cost of Debt	12.00%
Long-term Tax Rate	25.17%
After Tax Cost of Debt ( $K_d$ )	8.98%
Target Debt / Enterprise Value	29.49%
<b>WACC</b>	<b>15.26%</b>

<b>Perpetuity Growth Rate</b>	<b>3.50%</b>
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