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70



**STRICTLY PRIVATE AND CONFIDENTIAL**

October 19, 2019

To,  
The Board of Directors,  
**Sadbhav Engineering Limited,**  
Sadbhav House,  
Opp. Law Garden Police Chowki,  
Ellisbridge, Ahmedabad,  
Gujarat – 380006

To,  
The Board of Directors,  
**Sadbhav Infrastructure Project Limited,**  
Sadbhav House,  
Opp. Law Garden Police Chowki,  
Ellisbridge, Ahmedabad,  
Gujarat - 380006

Dear Sirs,

**Sub: Fairness Opinion on Share Exchange Ratio recommended by the Valuers pursuant to the Proposed Scheme**

We refer to the engagement letter whereby Sadbhav Engineering Limited ("Transferee Company /SEL") and Sadbhav Infrastructure Project Limited ("Transferor Company /SIPL") collectively known as "Companies" have engaged Inga Ventures Private Limited ("Inga"), inter alia, to provide a fairness opinion to the Companies on the Fair Equity Share Exchange Ratio recommended by the report dated October 19, 2019 ("Share Exchange Ratio Report") issued jointly by Deloitte Haskins & Sells ("Deloitte") and BSR & Associates LLP ("BSR") (Deloitte and BSR are collectively referred as "Valuers") for the proposed merger of SIPL with SEL as a going concern ("Proposed Merger") vide a composite scheme of merger under the provisions of Sections 230 to Section 232 of the Companies Act, 2013 read with other applicable provisions and rules thereunder ("Proposed Scheme").

**Company Background and Purpose**

SEL is a public limited company incorporated under the Companies Act. It is a construction company engaged in the Engineering, Procurement & Construction ("EPC") business for Transport, Mining & Irrigation sector. The equity shares of SEL are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (BSE and NSE are together hereinafter referred to as the "Stock Exchanges").

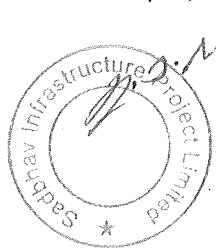
SIPL is a public limited company incorporated under the Companies Act. It is a subsidiary of SEL, engaged in development, construction as well as operation and maintenance of infrastructure projects. SIPL undertakes infrastructure development projects directly or indirectly through Special Purpose Vehicles (SPVs) for various projects. The equity shares of SIPL are listed on the Stock Exchanges.

The proposal envisages, inter alia, the merger of SIPL with SEL, whereby equity shares of SEL will be issued to the shareholders of SIPL. The Valuers have arrived at a swap ratio ("Share Exchange Ratio") of 1 (One) equity share of SEL of INR 1/- each fully paid up to be issued for every 3 (Three) equity shares of SIPL of INR 10/- each fully paid up.

Certified True Copy

For Sadbhav Infrastructure Project Ltd.

*[Signature]*  
**Company Secretary**



1 | Page



71

The Companies in terms of the engagement letter have requested us to issue our independent opinion as to the fairness of the Share Exchange Ratio recommended by the valuers ("Fairness Opinion").

#### Source of Information

For arriving at the opinion set forth below, we have received:

1. Share Exchange Ratio Report issued by the Valuers;
2. Draft of the Proposed Scheme;
3. Audited Financial Statements of SEL, & SIPL and the SPVs as on and for the year ended March 31, 2019
4. Financial projections of SEL, SIPL & SPVs consisting of balance sheet, cash flow and profitability statement for commensurate period respectively as provided by the management of SEL & SIPL
5. Other relevant details regarding SEL, SIPL & SPVs such as their history, past and present activities, future plans and prospects, existing shareholding pattern, income- tax position and other relevant information and data, including information in the public domain
6. Certain explanations and information from the representatives of the Companies

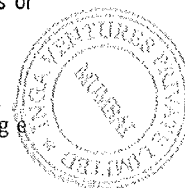
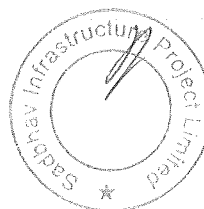
#### Scope Limitations

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Companies for the purposes of this Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information, or the assumptions on which it is based, and, we have simply accepted this information on an "as is" basis, and, have not verified the accuracy and/or the completeness of the same from our end.

We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Companies and its subsidiaries and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Companies and its subsidiaries.

We have not reviewed any internal management information statements or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by Companies on an "as is" basis for the purposes of this Fairness Opinion. We are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims.

In addition, we have assumed with your consent that the Proposed Scheme will be consummated substantially in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary regulatory or third party approvals, consents and releases for the Merger, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on Companies and its subsidiaries or the contemplated benefits of the Merger. We have further assumed that such approvals, consents and releases will be duly obtained as required pursuant to applicable laws and contractual obligations, without any delays. Representatives of Companies have advised us, and we have further assumed, that the final terms of the Scheme will not vary from those set forth in the Draft Scheme reviewed by us. We have assumed that there are no circumstances that could materially affect the business or financial prospects of Companies and its subsidiaries.





22

We understand that the management of Companies, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the Proposed Scheme. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving Companies, its subsidiaries or any of its assets, nor did we negotiate with any other party in this regard.

We express no opinion whatsoever and make no recommendation at all as to SEL's and SIPL's underlying decision to effect the Proposed Scheme. We also do not provide any recommendation to the holders of equity shares or secured or unsecured creditors of the companies with respect to the Proposed Merger. We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the equity shares of SEL or SIPL will trade following the announcement of the Proposed Merger or as to the financial performance of SEL or SIPL following the consummation of the Proposed Merger. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in SEL or SIPL or any of its related parties (holding company / subsidiary / associates etc.).

#### Conclusion

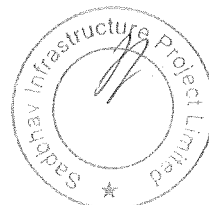
Based on our examination of the Share Exchange Ratio, such other information / undertakings / representations provided to us by the management of SEL and SIPL and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that the recommendation made by the Valuers of the Share Exchange Ratio is fair and reasonable for the shareholders of SEL and SIPL which is as under:

1 (One) equity share of SEL of INR 1/- each fully paid up to be issued for every 3 (Three) equity shares of SIPL of INR 10/- each fully paid up.

#### Distribution of the Fairness Opinion

The Fairness Opinion is addressed only to the board of Directors of Companies and is for the purpose of submission to the Stock Exchanges under the SEBI Circular. Further, the Fairness Opinion may be disclosed on the website of Companies and the Stock Exchanges and also be made part of the explanatory statement to be circulated to the shareholders and/or creditors of the Company. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without Inga's prior written consent.

However, SEL or SIPL may provide a copy of the Fairness Opinion if requested / called upon by any regulatory authorities of India subject to SEL or SIPL promptly intimating Inga in writing about receipt of such request from the regulatory authority. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable





73

for any consequences thereof and shall not take any responsibility for the same. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. In no circumstances however, will Inga or its management, directors, officers, employees, agents, advisors, representatives and controlling persons of Inga accept any responsibility or liability including any pecuniary or financial liability to any third party.

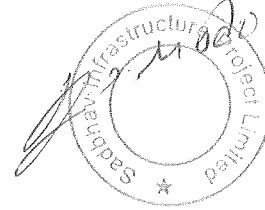
Yours truly,

For Inga Ventures Private Limited

*K. R. Shah*

Kavita Shah

Partner



Certified True Copy

For Sadbhav Infrastructure Project Ltd.

*J. S. Modi*  
Company Secretary