



# Dhnanjay Trivedi & Associates

CHARTERED ACCOUNTANTS

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Ref. No. :

Date :

## TO WHOM SO EVER IT MAY CONCERN

We refer to the SEBI Circular CFD/DIL3/CIR/2017/21 dated 10 March 2017 and NSE Circular NSE/CML/2017/12 dated 01 2017. In this regard, for scheme filed by a listed company with SEBI / Stock Exchanges, the listed company is required to obtain the valuation report to display workings, relative fair value per share and fair share exchange ratio. The details required as required to be submitted in the format as under:

### Computation of Fair Share Exchange Ratio:

Valuation Approach	Deep Industries Limited		Deep CH4 Limited	
	Value per share	Weight	Value per share	Weight
Asset Approach	-	-	-	-
Income Approach	-	-	-	-
Market Approach	-NOT	APPLICABLE	-	-
Relative Value per Share	-	-	-	-
Exchange Ratio (rounded off)	-	-	-	-

**Ratio: \_\_\_ equity shares of Deep Industries Limited of INR \_\_\_ each fully paid up for every \_\_\_ equity shares of Deep CH4 Limited of INR \_\_\_ each fully paid up**

However, as per Para I(A)(4)(b) of Annexure-I of SEBI Circular CFD/DIL3/CIR/2017/21 dated 10 March 2017, valuation report is not required in cases where there is no change in the shareholding pattern of the listed entity / resulting company. Further, Para I(A)(4)(d) of the said Circular clarifies that 'no change in shareholding pattern' would include a case where a listed entity (say, 'entity A') demerges a unit and makes it a separate company (say, 'entity B') and all the following conditions are fulfilled:

- Shareholding of entity B is comprised only of the shareholders of entity A
- Shareholding pattern of entity B is the same as in entity A
- Every shareholder in entity B holds equity shares in the same proportion as held in entity A before the demerger

We understand that a Scheme of Arrangement between Deep Industries Limited and Deep CH4 Limited and their shareholders and creditors has been submitted to stock exchanges for their approval. In the instant case, the Scheme provides that upon the Scheme becoming effective, the existing paid-up share capital of Deep CH4 Limited (the Resulting Company) shall be cancelled and pursuant to the demerger, every shareholder of Deep Industries Limited (the Demerged Listed Company) will become shareholder of Deep CH4 Limited in the same proportion as shares held by such shareholders in Deep Industries Limited. Further, there will





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not be any change in the shareholding pattern of Deep Industries Limited. Considering that the post scheme shareholding pattern of the Resulting Company would be same as that of the Demerged Company and every shareholder in the resulting Company would hold equity shares in the same proportion as held by it in the Demerged Company, in view of provisions of Para I(A)(4)(b) of Annexure-I of the SEBI Circular dated 10 March 2017, the requirement of obtaining valuation report is not applicable.

In our opinion and to the best of our information and according to the explanation given to us, considering the above, we certify that the valuation required by the SEBI Circular CFD/DIL3/CIR/2017/21 dated 10 March 2017 and NSE Circular NSE/CML/2017/12 dated 01 2017 in the manner specified therein will not be applicable in the instant case. Further, fairness opinion of the merchant banker on valuation will also not be required in the instant case.

This certificate is issued for onward submission to the National Stock Exchange of India Limited and BSE Limited and should not be used for any other purpose without our prior written consent.

Yours faithfully,

For DHANANJAY TRIVEDI AND ASSOCIATES  
CHARTERED ACCOUNTANTS

Dated: 6<sup>th</sup> July, 2018  
Place : Ahmedabad

PROPRIETOR  
DHANANJAY TRIVEDI

Mem No 43156  
FRN 101298W

