

To,

4 February 2025

Board of Directors, India Glycols Limited A-1, Industrial Area, Bazpur Road, Kashipur, Udham Singh Nagar, Uttarakhand, India – 244713	Board of Directors, Kashipur Holdings Limited A-1 Industrial Area Bazpur Road, Kashipur District- Udham Singh Nagar, Uttarakhand – 244713
Board of Directors Ennature Bio Pharma Limited P.No. 4 Pharma City Selaqui, Dehradun, Uttarakhand, India - 248197.	Board of Directors IGL Spirits Limited A-1 Industrial Area Bazpur Road, Kashipur District- Udham Singh Nagar, Uttarakhand – 244713

Subject: Recommendation of fair equity exchange ratio for the proposed amalgamation of Kashipur Holdings Limited into India Glycols Limited and share entitlement ratio for the proposed demerger of Biopharma Undertaking and Spirits and Biofuel Undertaking of India Glycols Limited into Ennature Bio Pharma Limited and IGL Spirits Limited.

Dear Sir/Madam,

This is in accordance with the terms of reference set out in our engagement letter dated 2 January 2025, wherein **TRC Corporate Consulting Private Limited** (hereinafter referred to as 'TRCC') and **Mr. Kshitij Goel, Registered Valuer (IBBI/RV/02/2024/15672)** (appointed through TRCC) (hereinafter referred to as 'Valuer' or 'We') has been appointed for providing valuation services to India Glycols Limited (hereinafter referred to as 'Transferee Company' or 'IGL'). For this purpose, we are required to provide the following recommendations:

- (i) Fair equity exchange ratio for the amalgamation of Kashipur Holdings Limited (hereinafter referred to as 'KHL') into IGL; and
- (ii) Share entitlement ratio for the proposed demerger of Biopharma Undertaking and Spirits and Biofuel Undertaking of IGL ("Demerged Undertakings"), into Ennature Bio Pharma Limited ('EBPL' or 'Resultant Company 1') and IGL Spirits Limited ('IGSL' or 'Resultant Company 2'), respectively.

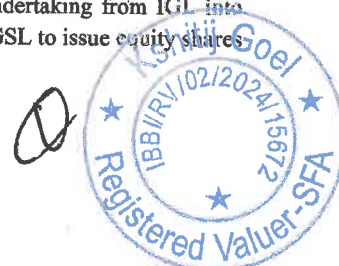
EBPL and IGSL are hereinafter collectively referred to as the "Resultant Companies". IGL, KHL and Resultant Companies are collectively referred to as 'Companies'.

1. Proposed Transaction

Pursuant to the Composite Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, with the appointed date as of April 1, 2026, (the "Scheme"), we understand that the Board of Directors propose to simplify the shareholding structure of IGL and subsequent demerger of the Demerged Undertakings. This shall occur and become effective and operative only in the sequence and in the order mentioned below ("Proposed Transaction"):

Step 1: Amalgamation of KHL into IGL, and consequently IGL to issue equity shares to shareholders of KHL; and

Step 2: Subsequent demerger of the Biopharma Undertaking and Spirits and Biofuel Undertaking from IGL into Resultant Company 1, and Resultant Company 2, respectively. Consequently, EBPL and IGSL to issue equity shares to shareholders of IGL.



The appointed date for the Scheme refers to **April 1, 2026**. The Scheme will come into effect from the Effective Date (as defined in the Scheme), which is the date on which all conditions and matters referred to in Clause 34 of the Scheme have occurred, been fulfilled, obtained, or waived, as applicable, in accordance with the Scheme.

2. Purpose of this Report

We understand that the Board of Directors of IGL believes that (a) the 4 (four) business verticals, namely, bio-based specialties & performance chemicals, potable spirits, ennature biopharma and bio-fuel being diverse in nature with no critical business inter-dependencies, would be best placed in independent companies; and (b) the separated undertakings being part of separate companies would enhance operational efficiency by allowing imparting greater focus on each of its business. The demerger would likely to increase shareholders' value and enable each company to focus on specific business, leading to faster growth and better price discovery.

In view of above, the Board of Directors of each of the Company has preferred the Scheme which deals with the amalgamation of KHL into IGL as the first step and the subsequent demergers of the Demerged Undertakings of IGL, as discussed previously, as it is more efficient and in the interest of its shareholders, creditors employees and other stakeholders

The Scheme is expected to provide the following benefits to the Companies and their various stakeholders (the capitalized terms are defined in the Scheme):

- (i) Currently majority of the promoter holding in the Transferee Company is through a holding company structure. The proposed merger will simplify the promoter holding structure by enabling promoters to directly hold shares of Transferee Company. There will be no adverse implication on the existing public shareholders of Transferee Company as they will continue to own the same number and percentage of shares in the company;
- (ii) Segregation and unbundling of the Spirits and Biofuel Undertaking and Biopharma Undertaking of the Demerged Company into the Resulting Companies will offer the following benefits:
 - a. Each business will have a clear focus, leading to improved management and resource allocation for growth.
 - b. The demerger will enable independent growth for each business, attracting the right talent, offering better opportunities for employees
 - c. The demerger may create a potential to unlock value for stakeholders by drawing focused investors.
 - d. Each business will manage its capital, investments, and resources based on its specific needs, ensuring more efficient capital use.
 - e. Each business will adhere to regulations that are specific to its industry.
 - f. Separating the businesses will reduce the risk of one business affecting the others.
- (iii) The proposed restructuring is in the interest of the shareholders, creditors, employees, and other stakeholders in each of the companies.

The management of IGL ("Management") has appointed TRC Corporate Consulting Private Limited and Mr. Kshitij Goel (Reg No. IBBI/RV/02/2024/15672) (appointed through TRCC) to recommend the fair equity share exchange ratio and share entitlement ratio, for the issue of IGL's equity shares to the equity shareholders of KHL, and subsequent issue of equity shares of Resultant Company 1 and Resultant Company 2 to the equity shareholders of IGL, to be placed before the Board of Directors of Companies, and, to the extent mandatorily required under applicable laws of India, this document may be produced before statutory or regulatory authorities as may be required.



connection with Proposed Transaction.

3. About the Valuer

TRC Corporate Consulting Private Limited was incorporated as of 30 August 1999. It provides services including, valuation & business advisory services, risk advisory & internal audit services, governance, risk and compliance services, asset management services, IBC Advisory, etc.

Mr. Kshitij Goel is an IBBI Registered Valuer in 'Asset Class—Securities or Financial Assets' bearing Registration number IBBI/RV/02/2024/15672. He has carried out a number of valuations under the provisions of the Companies Act 2013, including valuations of mergers/acquisitions, share issuance, intangible assets, purchase price allocation, etc.

4. Scope of Report

- 4.1. TRC Corporate Consulting Private Limited and Mr. Kshitij Goel, an IBBI Registered Valuer have been appointed by the client in accordance with the requirement of the Company Law and Security and Exchange Board of India for the purpose of current valuation. Mr. Kshitij Goel has carried out the valuation exercise and TRCC has provided support in collating/arranging the information & data.
- 4.2. The scope of our service is to conduct a relative (and not absolute) valuation of the equity shares of the Companies and report on the fair equity share exchange ratio and share entitlement ratio for the Proposed Transaction in accordance with ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountant of India and rules and regulations issued by Security and Exchange Board of India.
- 4.3. For the purpose of arriving at the valuation of the Companies, we have considered the valuation base as "Fair Value". Our valuation, and this report, is based on the premise of going concern value. Any change in the valuation base, or the premise could have significant impact on our valuation exercise, and therefore, this Report.
- 4.4. We have considered financial information up to 31 December 2024 ("Valuation Date"), as mentioned in Section 5 of this report, in our analysis and the Companies have represented that there is no material change in their financial position till the date of this report which will have a bearing on the valuation analysis. Further, the Management informed us that they do not expect any events which are unusual or not in the normal course of business up to the effective date of the Proposed Transaction, other than the events specifically mentioned in this report. We have relied on the above while arriving at the fair equity share exchange ratio and share entitlement ratio for the Proposed Transaction.
- 4.5. This report is our deliverable with respect to our recommendation to the Companies regarding the fair equity share exchange ratio and share entitlement ratio for the Proposed Transaction.
- 4.6. This report and the information contained herein are absolutely confidential. Our report will be used by the Companies only for the purpose, as indicated in this report, for which we have been appointed. The results of our valuation analysis and our report cannot be used or relied on by the Companies for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person/party for any



decision of such person/party based on this report. Any person/party intending to provide finance / invest in the shares/ business of the Companies/ their holding companies/ subsidiaries/ associates/ investee companies/ other group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/party (other than the Companies) chooses to place reliance upon any matters included in the report, they shall do so at their own risk and without recourse to us. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this report or any part thereof, except for the purpose as set out earlier in this report, without our prior written consent, is not permitted unless there is a statutory or a regulatory requirement to do so.

- 4.7. It is clarified that reference to this valuation report in any document and/or filing with aforementioned tribunal/ judicial/ regulatory authorities/ government authorities/ stock exchanges / courts / shareholders / professional advisors / merchant bankers, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by us of any responsibility or liability to any person/party other than the Companies. In any case, our aggregate liability shall be restricted to the fee that we have received from this assignment, as set out in our engagement letter.
- 4.8. This report is subject to the scope, assumptions, exclusions, limitations and disclaimers 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.

5. Source of Information

For the purpose of undertaking this exercise, we have relied on the following sources of information provided by the Management.

- Provisional financial statements of KHL as of 31 December 2024.
- Book Net Worth of the Demerged Undertakings and IGL as of 31 March 2022, 31 March 2023, 31 March 2024 and 30 September 2024.
- Draft Composite Scheme of Arrangement of the Proposed Transaction.
- Necessary information and explanations including the transaction structure, required for the purpose of our estimation.
- For our analysis, we have relied on published and secondary sources of data, whether or not made available by the Management. We have not independently verified the accuracy or timeliness of the data provided.

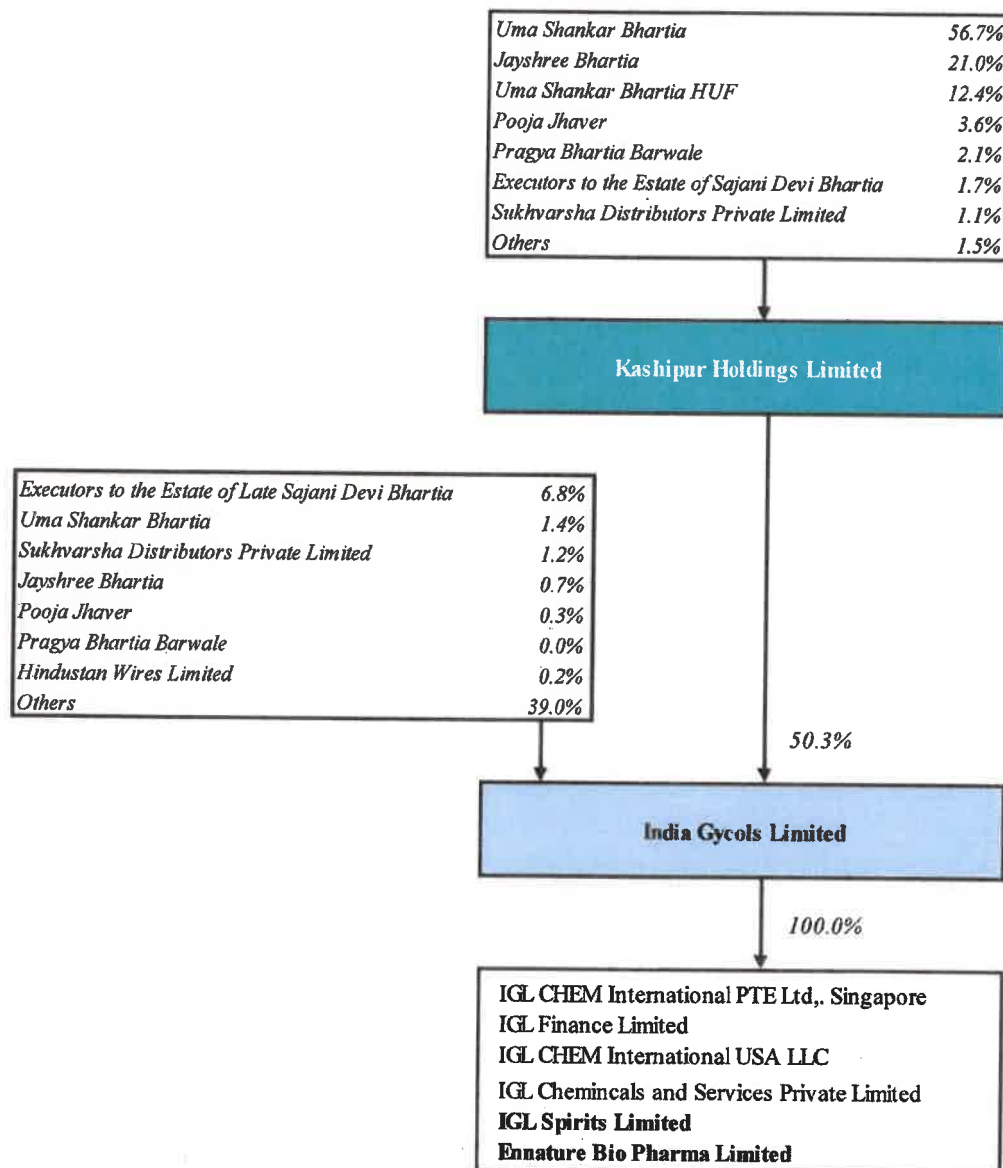
The Companies were provided with the opportunity to review the draft report as part of our standard practice to make sure that factual inaccuracies/omissions are avoided in our final report.

6. Background of Companies

6.1. Corporate Structure

In the figure that follows, we present the corporate structure of the Companies before the execution of the Proposed Transaction and as of the Valuation Date.





6.2. Kashipur Holdings Limited

KHL is a public limited company domiciled in India. The company is a non-banking financial company bearing CIN-U67120UR1996PLC020938 and registered under section 45-IA of the Reserve Bank of India Act, 1934 with the registration number B-12.00345/22.01.2001. As of the Valuation Date, the company has no operations and only holds investments in IGL.

The shareholding pattern of KHL as of the Valuation Date is as under:



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Kashipur Holdings Limited
Shareholding Pattern as of 31 December 2024

Name of Shareholder	# Shares	Holding %
Uma Shankar Bhartia	1,739,483	56.7%
Jayshree Bhartia	645,458	21.0%
Uma Shankar Bhartia HUF	379,863	12.4%
Pooja Jhaver	111,505	3.6%
Pragya Bhartia Barwale	63,041	2.1%
Executors to the Estate of Sajani Devi Bhartia	50,959	1.7%
Sukhvarsha Distributors Private Limited	32,693	1.1%
Others	45,630	1.5%
Total	3,068,632	100.00%

6.3. India Glycols Limited

IGL is an Indian multinational company established in 1983, primarily engaged in the manufacture of industrial chemicals. It is a publicly listed company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number L24111UR1983PLC009097. The company is engaged, inter alia, in the business of manufacturing and marketing Bio-based Specialities & Performance Chemicals such as Bio-Polymers, Green Solvents, Specialty Derivatives, Industrial Gases, Potable spirits, ENA (Extra Neutral Alcohol), Ennature Biopharma and Bio Fuels.

The shareholding pattern of IGL as of the Valuation Date is as follows:

India Glycols Limited
Shareholding Pattern as of 31 December 2024

Name of Shareholder	# Shares	Holding %
Kashipur Holdings Limited	15,588,291	50.3%
Executors to the Estate of Late Sajani Devi Bhartia	2,100,249	6.8%
Uma Shankar Bhartia	448,722	1.4%
Sukhvarsha Distributors Private Limited	361,875	1.2%
Jayshree Bhartia	229,003	0.7%
Hindustan Wires Limited	65,000	0.2%
Pooja Jhaver	97,592	0.3%
Pragya Bhartia Barwale	300	0.0%
Others	12,070,468	39.0%
Total	30,961,500	100.0%

6.4. Ennature Bio-Pharma Limited

EBPL is a public company incorporated under the provisions of the Companies Act, 2013 under CIN U24290UR2021PLC013005. The company has a business objective of producing nutraceuticals, phytochemicals, and natural plant-based active pharmaceutical ingredients. It is a wholly-owned subsidiary of IGL and does not have any operations as of the Valuation Date. In the table that follows, we present the details of this company extracted from the MCA website.



CIN	U24290UR2021PLC013005
Company Name	Ennature Bio Pharma Limited
ROC Name	Roc Uttarakhand
Date of Incorporation	October 1, 2021
Registered Address	P. No. 4 Pharma City Selaqui, Dehradun, Dehradun, Uttarakhand, India, 248197
Category of Company	Company Limited By Shares
Subcategory of the Company	Non-Government Company
Class of Company	Public
Authorised Capital (Rs)	5,00,000
Paid up Capital (Rs)	1,00,000

The shareholding pattern of EBPL as of the Valuation Date is as follows:

Ennature Bio Pharma Limited

Shareholding Pattern as of 31 December 2024

Name of Shareholder	# Shares	Holding %
India Glycols Limited	10,000	100.0%

6.5. IGL Spirits Limited

IGSL is a public company incorporated under the provisions of the Companies Act, 2013 on 25 November 2024 under CIN U11011UT2024PLC018229. The company has a business objective inter alia of manufacturing and production of alcoholic and non-alcoholic beverages and ethanol and alcohol. It is a wholly-owned company subsidiary of IGL and does not have any operations as of the Valuation Date. In the table that follows, we present the details of this company extracted from the MCA website.

CIN	U24290UR2021PLC013005
Company Name	IGL Spirits Limited
ROC Name	Roc Uttarakhand
Date of Incorporation	November 25, 2024
Registered Address	A-1 Industrial Area, Bazpur Road Kashipur, Industrial Area Kashipur, Udham Singh Nagar, Kashipur, Uttarakhand, India, 244713
Category of Company	Company Limited By Shares
Subcategory of the Company	Non-Government Company
Class of Company	Public
Authorised Capital (Rs)	5,00,000
Paid up Capital (Rs)	1,00,000

The shareholding pattern of IGSL as of the Valuation Date is as follows:



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IGL Spirits Limited
Shareholding Pattern as of 31 December 2024

Name of Shareholder	# Shares	Holding %
India Glycols Limited	10,000	100.0%

7. Valuation Approach

- 7.1. In accordance with ICAI Valuation Standards 2018, ("Ind VS") issued by the Institute of Chartered Accountants of India, valuation in case of the Proposed Transaction would require determining fair equity share exchange ratio and share entitlement ratio considering relative values of each company involved. These values are to be determined independently but on a relative basis, and without considering the effect of the amalgamation.
- 7.2. The three valuation approaches are the market approach, income approach and cost approach. There are various methods under these approaches which are commonly used for valuation purposes such as:

Under Market Approach, following methods are commonly used

- Market Price Method
- Comparable Companies Multiple (CCM) Method
- Comparable Transaction Multiple Method

Under Income Approach, following methods are commonly used

- Discounted Cash Flow (DCF) Method
- Relief from Royalty Method
- Multi-period Excess Earning Method
- Option Pricing Model

Under Cost Approach, following methods are commonly used

- Replacement Cost Method
- Reproduction Cost Method

- 7.2.1. **Market Approach:** It 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 market approach is the most commonly used method to assess the value of a company using the financial metrics of similar companies in the same industry.

Further, as per Regulation 164 (1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ('ICDR'), if the equity shares of the issuer have been listed on a recognised stock exchange for a period of ninety trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be computed as per the above-mentioned regulations.

- 7.2.2. **Income Approach:** This approach is widely used for valuation under "Going Concern" basis. It focuses



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on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow (DCF) Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows. DCF method is considered the most theoretically sound, scientific and acceptable method for determination of the value of a business undertaking. Under this technique, the projected free cash flows from business operations are discounted at "Weighted Average Cost of Capital" to the providers of capital to the business. The sum of the discounted value of such free cash flows is the value of the business.

7.2.3. Cost Approach: It is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset.

- a) Replacement Cost Method, also known as 'Depreciated Replacement Cost Method' involves valuing an asset based on the cost that a market participant shall have to incur to recreate an asset with substantially the same utility (comparable utility) as that of the asset to be valued, adjusted for obsolescence.
- b) Reproduction Cost Method involves valuing an asset based on the cost that a market participant shall have to incur to recreate a replica of the asset to be valued, adjusted for obsolescence.

This valuation approach is mainly used in case where the assets base dominates earnings capability. A scheme of amalgamation would normally be proceeded with, on the assumption that the companies amalgamate as going concerns and an actual realization of the operating assets is not contemplated.

7.3. KHL is an investment company holding **15,588,291 equity shares** in IGL. It has nominal residual positive net assets amounting to INR 10.50 million (comprising of cash balance, other assets and liabilities) as of 31 December 2024, after eliminating the value derived from investment held in IGL. KHL does not have any other major business operations. The number of shares held by KHL pre and post-amalgamation shall not lead to a change in shareholding in accordance with the Scheme. Accordingly, the use of valuation methodologies in current valuation is not applicable and therefore, we did not carry out the valuation of these companies under generally accepted valuation approaches namely cost approach, income approach and market approach, being not applicable.

7.4. According to the Securities and Exchange Board of India Master Circular (SEBI/HO/CFD/POD-2/P/CIR/2023/93), dated 30 June 2023 (hereinafter referred to as 'Circular'), the valuation report is not required in cases where there is no change in the shareholding pattern of the listed entity / resultant company. For the limited purpose of this Circular, 'change in shareholding pattern' shall mean;

- i. change in the proportion of shareholding of any of the existing shareholders of the listed entity in the resultant company; or
- ii. new shareholder being allotted equity shares of the resultant company; or
- iii. existing shareholder exiting the company pursuant to the Scheme of Arrangement.

Further, a few examples illustrating 'no change in shareholding pattern' are indicated below:

- i. In case a listed entity (say, "entity A") demerges a unit and makes it a separate company (say, "entity B");
 - 1) if the shareholding of entity B is comprised only of the shareholders of entity A; and
 - 2) if the shareholding pattern of entity B is the same as in entity A; and



- 3) every shareholder in entity B holds equity shares in the same proportion as held in entity A before the demerger.

Pursuant to the Scheme, the shareholders of Resultant Company 1 and Resultant Company 2 will consist exclusively of the shareholders of IGL, with their shareholding pattern remaining identical to that of IGL post-demerger. Additionally, the Resultant Companies are wholly owned subsidiaries of IGL before the demerger, shareholders' interest in IGL indirectly includes their interest in these subsidiaries in the same proportion. As a result, post-demerger, shareholders will continue to hold an interest in the Resultant Companies in the same proportion as they previously held in IGL.

Accordingly, the use of valuation methodologies in current valuation is not applicable and therefore, we did not carry out the valuation of these companies under generally accepted valuation approaches namely cost approach, income approach and market approach, being not applicable.

- 7.5. Considering the approaches and the rationale discussed above for the fair equity share exchange ratio and share entitlement ratio, the valuation approaches as indicated in the format (as shown in Annexure B) prescribed by the Circular have not been undertaken as they are not applicable in the instant case.

8. Procedure Adopted

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial information;
- Obtained data available in public domain;
- Undertook industry analysis such as researching publicly available market data including economic factors and industry trends that may impact the valuation;
- Discussion with the Management to understand the business and fundamental factors that could affect its earnings-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance;
- Selection of valuation methodology/(ies) as per ICAI Valuation Standards;
- Determined the fair equity share exchange swap ratio based on the selected methodology.

9. Basis of Fair Equity Share Exchange Ratio and Share Entitlement Ratio

- 9.1. The basis of the fair equity share exchange ratio and share entitlement ratio for the Proposed Transaction would have to be determined after taking into consideration all the factors, approaches and methods considered appropriate. Though different values could have been arrived at under each of the above approaches/ methods, for the purposes of recommending the fair equity share exchange ratio and share entitlement ratio it is necessary to arrive at a single value for the shares of the companies involved in a Proposed Transaction. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of the Companies but at their relative values to facilitate the determination of a fair equity share exchange ratio and share entitlement ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approach/ method.
- 9.2. In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuer and judgments considering all the relevant factors. There will always be several factors, e.g., quality of the



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management, 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. There is, therefore, no indisputable single exchange ratio. While we have provided our recommendation of the fair equity share exchange ratio and share entitlement ratio 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 fair equity share exchange ratio and share entitlement ratio of the equity shares of the Companies. The final responsibility for the determination of the exchange ratio at which the Proposed Transaction shall take place will be with the Board of Directors of Companies who should consider other factors such as their own assessment of the Proposed Transaction and input of other advisors.

10. Determination of Fair Equity Share Exchange Ratio for Amalgamation of KHL into IGL

KHL is an investment holding company that holds **15,588,291 equity shares** in IGL. The value of KHL pre-amalgamation is majorly derived from such investment in IGL. KHL has a residual positive net asset value of INR 10.50 million (comprising of cash balance, other assets and liabilities) as of the Valuation Date, after eliminating the value derived from investment held in IGL. According to Clause 37.2 of the Scheme, all costs, charges and expenses pertaining to amalgamation shall be borne out of the surplus assets of KHL. As a result, the residual assets of KHL shall be utilized to bear the cost of amalgamation. Accordingly, an equivalent number of shares shall be issued to shareholders of KHL as held by KHL in IGL post sanction of composite scheme of arrangement.

Accordingly, we have considered the following to arrive at the share exchange ratio:

- On amalgamation, the equity shares held by KHL in IGL shall be cancelled and IGL shall issue equity shares directly to the shareholders of KHL.
- Determination of the share exchange ratio would not influence the ultimate value for KHL and IGL and as such the valuation methods discussed under Section 7 of this report are not applicable and thus not adopted.

In light of the above, and on consideration of all the relevant factors and circumstances as discussed and outlined herein above, in respect of the proposed amalgamation of KHL into and with IGL, the following is the fair equity share exchange ratio:

"1 (One) equity share of India Glycols Limited, having a face value of INR 10/- each, fully paid-up, shall be issued for every 1 (One) equity share held by Kashipur Holdings Limited in India Glycols Limited, to the shareholders of Kashipur Holdings Limited in proportion to their shareholding in Kashipur Holdings Limited."

11. Determination of Share Entitlement Ratio for Demerger of Biopharma Undertaking into Resultant Company 1

Based on the Scheme and discussions with the Management, we understand that:

- The Management is contemplating demerging Biopharma Undertaking from IGL into Resultant Company 1.
- EBPL is a wholly owned subsidiary of IGL as of the date of this report.
- Upon the Scheme becoming effective, the equity shares held by IGL and its nominees in EBPL will be cancelled and shareholders of IGL will be entitled to the shares of the Resultant Company 1.
- Simultaneously and concurrent with the above cancellation upon the scheme becoming effective, shareholders of IGL will be entitled to shares in EBPL in the same proportion in which they own shares in IGL.



- Upon the scheme becoming effective, the beneficial economic interest of the shareholders of IGL in the paid-up equity share capital of EBPL would be the same as it is in the paid-up equity share capital of IGL.
- Upon the Scheme becoming effective, all equity shares of Resultant Company 1 shall, subject to the execution of the listing agreement, be listed on the Stock exchanges, and/or admitted to trading if any.

The determination of share entitlement ratio would not impact the ultimate value for the shareholders of IGL and the proposed demerger of the Biopharma Undertaking of IGL into EBPL, will be value-neutral to IGL's shareholders.

Based on above discussion and explanation provided in Section 7.4 of this report, the determination of share entitlement ratio and a detailed valuation of the companies to determine the share entitlement ratio would not be applicable in the present case. Accordingly, we did not carry out the valuation of these companies under generally accepted valuation approaches namely cost approach, income approach and market approach, being not applicable.

Based on the aforesaid discussion, considering that; a) all shareholders of IGL are and will, upon demerger, become shareholders of EBPL, holding beneficial interest in the same proportion as they hold in IGL; and b) the level of paid-up equity share capital with respect to the size of undertaking along with serviceability of capital; the following proposed share entitlement ratio is fair to the shareholders of IGL in relation to the proposed demerger.

"1 (One) Equity Share of Ennature Bio-Pharma Limited of face value of INR 10/- each fully paid up for every 3 (Three) equity shares of India Glycols Limited of face value of INR 10/- each fully paid up."

Based on the analysis provided in Annexure A of this report, the share entitlement ratio is proposed to be 1:3 for Ennature Bio-Pharma Limited.

12. Determination of Share Entitlement Ratio for Demerger of Spirits and Biofuel Undertaking into Resultant Company 2

Based on the Scheme and discussions with the Management, we understand that:

- The Management is contemplating demerging Spirits and Biofuel Undertaking from IGL into IGSL.
- IGSL is a wholly owned subsidiary of IGL as of the date of this report.
- Upon the Scheme becoming effective, the equity shares held by IGL and its nominees in IGSL will be cancelled and shareholders of IGL will be entitled to the shares of the Resultant Company 2.
- Simultaneously and concurrent with the above cancellation upon the scheme becoming effective, shareholders of IGL will be entitled to shares in IGSL in the same proportion in which they own shares in IGL.
- Upon the scheme becoming effective, the beneficial economic interest of the shareholders of IGL in the paid-up equity share capital of IGSL would be the same as it is in the paid-up equity share capital of IGL.
- Upon the Scheme becoming effective, all equity shares of Resultant Company 2 shall, subject to the execution of the listing agreement, be listed on the Stock exchanges, and/or admitted to trading if any.

The determination of share entitlement ratio would not impact the ultimate value for the shareholders of IGL and the proposed demerger of the Spirits and Biofuel Undertaking of IGL into IGSL, will be value-neutral to IGL's shareholders.

Based on above discussion and explanation provided in Section 7.4 of this report, the determination of share entitlement ratio and a detailed valuation of the companies to determine the share entitlement ratio would not be



TRC Corporate Consulting Private Limited
Plot No. 76E, Phase IV, Udyog Vihar
Sector 18, Gurugram, Haryana 122015

Kshitij Goel
Registered Valuer (Securities and Financial Assets)
Reg. No: IBBI/RV/02/2024/15672

applicable in the present case. Accordingly, we did not carry out the valuation of these companies under generally accepted valuation approaches namely cost approach, income approach and market approach, being not applicable.





Based on the aforesaid discussion, considering that all shareholders of IGL are and will, upon demerger, become shareholders of IGSL, holding beneficial interest in the same proportion as they hold in IGL, the following proposed share entitlement ratio is fair to the shareholders of IGL in relation to the proposed demerger.

“1 (One) Equity Share of IGL Spirits Limited of face value of INR 10/- each fully paid up for every 1(One) equity share of India Glycols Limited of face value of INR 10/- each fully paid up.”

It is pertinent to note that the Spirits and Biofuel Undertaking materially contributes to IGL's revenue and profitability. While determining the share entitlement ratio, it has been ensured that the level of paid-up equity capital is sufficient to support the business operations being transferred to IGSL.

The share exchange ratio and share entitlement ratio are based on the equity share capital structure of KHL and IGL as of the Valuation Date and, any variation in the equity share capital of KHL and IGL may have a material impact on the fair equity share exchange ratio and share entitlement ratio.

Authorised Signatories:

For TRC Corporate Consulting Private Limited  Meraz Afzal Manager Date: 4 February 2025 Place: Gurgaon 	Registered Valuer  Mr. Kshitij Goel Reg No: IBBI/RV/02/2024/15672 VRN: IOV/2024-2025/8808 Date: 4 February 2025 Place: Gurgaon 
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13. Limitation and Disclaimer

- 13.1. Valuation analysis and result are specific to the purpose of valuation and the transaction date mentioned in the valuation report which is 31 December 2024. It may not be valid for any other purpose or as at any other date. We assume no responsibility to update valuation report for events and circumstances occurring after the date of this report.
- 13.2. This report is intended only for the use by Companies and its relevant authorities and for the purpose mentioned in the report, and accordingly, will not be copied, referred to or disclosed, in whole or in part, to outside parties for any other purpose without our prior express written consent, unless the Companies are required to do so under applicable laws.
- 13.3. Our report is not nor should it be construed as our opining or certifying the compliance of the Proposed Transaction with the provisions of any law / standards including companies, foreign exchange regulatory, accounting and taxation (including transfer pricing) laws / standards or as regards any legal, accounting or taxation implications or issues arising from such Proposed Transaction. Our report is not nor should it be construed as our recommending the Proposed Transaction or anything consequential thereto / resulting therefrom. This report does not address the relative merits of the Proposed Transaction as compared with any other alternatives or whether or not such alternatives could be achieved or are available. Any decision by the Companies / their shareholders / creditors regarding whether or not to proceed with the Proposed Transaction shall rest solely with them. We express no opinion or recommendation as to how the shareholders/ creditors of the Companies should vote at any shareholders'/ creditors' meeting(s) to be held in connection with the Proposed Transaction. This report does not in any manner address, opine on or recommend the prices at which the securities of the Companies could or should transact at following the announcement/ consummation of the Proposed Transaction. Our report and the opinion / valuation analysis contained herein is not nor should it be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities or as providing management services or carrying out management functions. It is understood that this analysis does not represent a fairness opinion. It should be noted that our valuation neither constitute recommendations to you as to whether or not to proceed with the Proposed Transaction nor constitute an offer for or invitation to any third party for investing in, or in the assets and liabilities of the Company. Any third user intending to provide finance / invest in the shares/business of the company and/or the client, its subsidiaries, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 13.4. This report is based on the information provided by the Companies. We have not independently verified or checked the accuracy or timeliness of the same. Valuation is not a precise art and the conclusions arrived at will be subjective and dependent on the exercise of individual judgment and management assumptions. There is, therefore, no indisputable single exchange ratio.
- 13.5. The Companies may disclose this report to their professional advisors involved in the proposed transaction, provided that when doing so the Companies inform them that, to the fullest extent permitted by law, we accept no responsibility or liability to them in connection with our report and our work for the Companies, and disclosure by them (save for their own internal purposes) is not permitted without our consent.
- 13.6. We have not, pursuant to this Letter of Engagement, perform any management functions for you nor make any decisions. You are responsible for making management decisions, including accepting responsibility for the results. Additionally, management of Companies is responsible for designating a management-level individual



or individuals responsible for overseeing the services provided, evaluating the adequacy of the services provided, evaluating any findings or recommendations, establishing and maintaining internal controls, and monitoring on going activities.

- 13.7. Competent management assumed - It should be specifically noted that the valuation assumes the property/business will be competently managed and maintained over the expected period of ownership. This appraisal engagement does not entail an evaluation of Companies' management effectiveness, nor are we responsible for future marketing efforts and other management or ownership actions upon which actual results will depend. This report has given no consideration to matters of 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 / unaudited balance sheets of the Companies/ their holding/ subsidiary/ associates / joint ventures/ investee companies, if any.
- 13.8. The future projections are the responsibility of the respective management of the Companies. The assumptions used in their preparation, as we have been explained, are based on the management 's present expectation of both - the most likely set of future business events and circumstances and the respective management's course of action related to them. It is usually the case that some events and circumstances do not occur as expected or are not anticipated and therefore, actual results during the forecast period may differ from the forecast and such differences may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management. In accordance with the terms of our engagement, we have carried out relevant analyses and evaluations through discussions, calculations and such other means, as may be applicable and available, we have assumed and relied upon, without independently verifying, (i) the accuracy of the information that was publicly available, sourced from generally accepted databases and formed a substantial basis for this report and (ii) the accuracy of information made available to us by the Companies. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our valuation does not constitute as an audit or review in accordance with the auditing standards applicable in India, accounting / financial / commercial / legal / tax / environmental due diligence or forensic / investigation services, and does not include verification or validation work. In accordance with the terms of our engagement letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical and projected financial information, if any, provided to us regarding the Companies / their holding / subsidiary / associates / joint ventures/ investee companies, if any. 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 historical financials/ financial statements and projections. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Companies. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the 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. Our conclusion is based on the assumptions and information given by/on behalf of the Companies. The respective Managements of the Companies have 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 the Companies and their impact on the report.
- 13.9. We accept no responsibility for any error or omission in the report which is due to an error or omission in data, information or statements supplied to us by other parties including the Companies ('Data'). We have not



independently verified such Data and have assumed it to be accurate, complete, reliable and current as of the date of such information and accordingly, express no opinion or make any representation concerning its accuracy and completeness and to that extent, the information may not be reliable. We accept no responsibility for matters not covered by the report or omitted due to limited nature of our analysis.

- 13.10. We are not responsible for determining the difference between price-sensitive and non- price sensitive information. All information supplied to us (in whatever form) that is not in the public domain is confidential information for the purposes of this engagement. We recommend that you obtain legal advice to ensure that information supplied to us is not in contravention of any applicable laws and regulations.
- 13.11. In case of Dispute – Any dispute or disputes shall be first resolved by attempted negotiation at the highest executive levels between the parties. In the event such executive negotiation is unsuccessful, the dispute or disputes shall either be decided by a sole Arbitrator mutually appointed by the parties or as approved by concerned authority. The arbitration proceeding under this clause will be in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications or re-enactment in lieu thereof. The arbitration proceedings shall be in English language, venue of the arbitration shall be New Delhi and cost of arbitration will be borne by the parties in equal share. The award of the Arbitrators shall be final, conclusive and binding on both the parties.



Annexure A: Estimation of Share Entitlement Ratio

India Glycols Limited

Criteria for Share Entitlement Ratio for Demerger of Biopharma Undertaking
(INR in Million)

Particulars		31-Mar-22	31-Mar-23	31-Mar-24	30-Sep-24
India Glycols Limited (A)		15,117.62	15,876.07	17,163.00	17,777.90
Biopharma Undertaking (B)		5,100.38	4,765.33	5,275.90	5,293.00
% of Total (B/A)		0.34	0.30	0.31	0.30
Average		31.1%	or 1/3		

Note: As represented by the Management, there is no material variance in the net worth presented in the table above from 30 September 2024, to 31 December 2024.

Annexure B: Computation of Fair Equity Exchange Ratio and Share Entitlement Ratio

(a) Amalgamation of KHL into IGL

Valuation Approach	India Glycols Limited		Kashipur Holdings Limited	
	Value Per Share (INR)	Weights	Value Per Share (INR)	Weights
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative Value per share	NA		NA	
Share Exchange Ratio			NA	

(b) Demerger of Biopharma Undertaking into Resultant Company 1

Valuation Approach	India Glycols Limited		Ennature Bio Pharma Limited	
	Value Per Share (INR)	Weights	Value Per Share (INR)	Weights
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative Value per share	NA		NA	
Share Entitlement Ratio	NA			



(c) Demerger of Spirits and Biofuel Undertaking into Resultant Company 2

Valuation Approach	India Glycols Limited		IGL Spirits Limited	
	Value Per Share (INR)	Weights	Value Per Share (INR)	Weights
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative Value per share	NA		NA	
Share Entitlement Ratio			NA	



(Handwritten signature)