



## JMC PROJECTS (INDIA) LTD.

(A Kalpataru Group Enterprise)

To  
The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

April 15, 2022

Dear Sir/Madam,

**Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) for the Scheme of Amalgamation of JMC Projects (India) Limited (“Company” or “JPIL”) with Kalpataru Power Transmission Limited (“KPTL”) and their respective shareholders (“Scheme”)**

**Ref.: Your observations on BSE Listing Centre dated 12.04.2022**

In connection with the captioned subject, we submit herewith the following documents/information:

Sr. No.	Queries	Responses
1.	Valuation report submitted is not as per the format suggested by SEBI. The valuer has not included details w.r.t. Income approach in the tabular format. Further, detailed reasons for not using specific method(s) has not been provided below the table. In view thereof, kindly advise the company to submit revised valuation in the format suggested by SEBI.	The addendum to the share entitlement ratio report, which is clarificatory in nature, clarifying your observation, is attached as <b>Annexure 1</b> .
2.	The non-convertible debentures issued by KPTL and JPIL are listed on BSE Limited. In view of the same kindly confirm whether an application is filed with the Exchange under Regulation 59 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	The non-convertible debentures issued by JPIL are listed on BSE Limited. Further, JPIL will seek necessary stock exchange approval under Regulation 59 of the Listing Regulations, prior to the effectiveness of the Scheme.

If you require any further clarifications/ information, we would be happy to provide the same.

Thanking you,

Yours faithfully,  
For **JMC Projects (India) Limited**

  
**Samir Raval**  
Company Secretary



Encl.: As above

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<b>Ernst &amp; Young Merchant Banking Services LLP</b> Registered Valuer Registration No. IBBI/RV-E/05/2021/155  14th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar (West), Mumbai - 400028.	<b>Drushti Desai</b> Registered Valuer Registration No. IBBI/RV/06/2019/10666 <b>Bansi S. Mehta &amp; Co.</b> Chartered Accountants 3rd Floor, Metro House, Dhobi Talao, M.G. Road, Marine Lines, Mumbai 400020.
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**Dated: 14 April 2022**

To,

<b>Kalpataru Power Transmission Limited</b>  Plot No. 101. Part-III, G.I.D.C. Estate, Sector-28, Gandhinagar-382 028, Gujarat. India.	<b>JMC Projects (India) Limited</b>  A-104, Shapath 4, Opp. Karnavati Club, S. G. Road, Ahmedabad 380015
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Dear Sir/ Madam,

**SUB: Addendum to the Report dated February 19, 2022 recommending ratio of share entitlement (“Share Entitlement Ratio Report” or “the Report”) for the proposed amalgamation of JMC Projects (India) Limited (“JMC”) into Kalpataru Power Transmission Limited (“KPTL”)**

This letter is in response to your email dated April 12, 2022 requesting us to update the Valuation Report as per the format suggested by SEBI (i.e. mentioning the Income Approach in the tabular format).

Value per share of KPTL and JMC updated in the format required by SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 by EY is given below:

Valuation Approach	JMC (A)		KPTL (B)	
	Value per Share of JMC (INR)	Weight	Value per Share of KPTL (INR)	Weight
Market Approach				
Comparable Companies Multiple Method				
Market Approach based on EV/EBITDA Multiple	172.8	50%	718.1	50%
Market Price Method (ii)	103.8	50%	398.3	50%
Cost Approach (iii)	NA	NA	NA	NA
Income Approach – DCF Method*	NA	NA	NA	NA



Relative Value per Share (Weighted Average of (i),(ii) and (iii))	138.3		558.2	
<b>Fair Equity Share Exchange Ratio (B/A) (Rounded)</b>	<b>4.0</b>			

\* We have used the EV/EBITDA multiple method to determine the value of KPTL and JMC. The multiples used for KPTL and JMC would capture the growth of the sector and the future prospects. Further, since KPTL and JMC are listed entities, the information related to future profit and loss accounts, balance sheet and cash flows is price sensitive. Hence, we were not provided with the projections of the Companies by their respective managements. We have, therefore, not used the DCF Method for this valuation exercise. In case of certain subsidiaries where DCF was the only appropriate method of valuation we were provided with the projections and we have carried out valuation based on DCF approach for such businesses.

Value per share of KPTL and JMC updated in the format required by SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 by DD is given below:

Valuation Approach	JMC (A)		KPTL (B)	
	Value per Share of JMC (INR)	Weight	Value per Share of KPTL (INR)	Weight
Market Approach				
Comparable Companies Multiple Method				
Market Approach based on EV/EBITDA Multiple (i)	150.2	50%	603.5	50%
Market Price Method (ii)	99.2	50%	386.7	50%
Asset Approach (Cost Approach) (iii)	NA	NA	NA	NA
Income Approach – DCF Method*	NA	NA	NA	NA
Relative Value per Share (Weighted Average of (i),(ii) and (iii))	124.7		495.1	
<b>Fair Equity Share Exchange Ratio (B/A) (Rounded)</b>	<b>4.0</b>			

\*We have used the EV/EBITDA multiple method to determine the value of KPTL and JMC. The multiples used for KPTL and JMC would capture the growth of the sector and the future prospects. Further, since KPTL and JMC are listed entities, the information related to future profit and loss accounts, balance sheet and cash flows is price sensitive. Hence, we were not provided with the projections of the Companies by their respective managements. We have, therefore, not used the DCF Method for this valuation exercise. In case of certain subsidiaries where DCF was the only appropriate method of valuation we were provided with the projections and we have carried out valuation based on DCF approach for such businesses.



This letter should be read along with the Share Entitlement Report and the limitations mentioned therein.

<p>Respectfully submitted, <b>Ernst &amp; Young Merchant Banking Services LLP</b> Registered Valuer Registration No. IBBI/RV-E/05/2021/155</p>   <p><b>NAVIN VOHRA</b> Partner EYMBS/RV/2022/009 Date: 14 April 2022</p>	<p>Respectfully submitted, <b>DRUSHTI R. DESAI</b> Registered Valuer Registration Number: IBBI/RV/06/2019/10666</p> <p>Drushti Rahul Desai</p>  <p>Digitally signed by Drushti Rahul Desai Date: 2022.04.14 19:33:28 +05'30'</p>  <p><b>DRUSHTI R. DESAI</b> UDIN:22102062ADEDYC2214 Date: 14 April 2022</p>
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