

FAIRNESS OPINION REPORT
ON THE SHARE EXCHANGE RATIO FOR THE PROPOSED SCHEME OF ARRANGEMENT
BETWEEN SHIVA CEMENT LIMITED AND JSW CEMENT LIMITED



SBI CAPITAL MARKETS LTD.

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A Subsidiary of State Bank of India

September 29, 2026



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1 BACKGROUND

There is a proposal before the Board of Directors of **JSW CEMENT LIMITED** ("Transferee Company" or "JCL") to merge **SHIVA CEMENT LIMITED** ("Transferor Company" or "SCL") under a Scheme of Arrangement under sections 230-232 of Companies Act, 2013 read with section 52 and section 66 and other applicable provisions and rules thereunder (hereinafter referred to as the "Draft Scheme"). The said transaction is referred to as the "Scheme of Arrangement".

JSW Cement Limited ("JCL") vide offer letter ("Engagement Letter") dated September 28, 2026 has engaged SBI Capital Markets Limited ("SBICAPS"), to provide a Fairness Opinion Report to the Board of Directors of **JCL** on the Share Exchange Ratio pursuant to the Proposed Scheme of Arrangement as recommended jointly by PwC Business Consulting Services LLP ("PWC Val") and BDO Valuation Advisory LLP ("BDO Val"), Registered Valuers ("Valuer(s)") under their report issued dated September 29, 2026 ("Valuation Report").

1.1 About The Companies

1.1.1 JSW Cement Limited:

JSW CEMENT LIMITED ("JCL") is a public limited company incorporated under the laws of India bearing corporate identification number L26957MH2006PLC160839 and having its registered office at 3rd floor, JSW Centre, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra, India - 400051.

JCL is engaged inter alia in the business of manufacturing and marketing cement, clinker, ground granulated blast furnace slag (GGBS) and trading of allied products. It has a pan-India standalone grinding capacity of 23.10 MTPA spread across South (11.00 MTPA), West (4.50 MTPA), North (2.50 MTPA) and East (5.10 MTPA)

Shareholding pattern of JCL:

The issued, subscribed and paid-up equity share capital of JCL as on June 30, 2026, is INR 13,633.6 Mn consisting of 1,36,33,64,936 equity shares of face value of INR 10/- each.

The equity shareholding pattern is as follows:

(a) Ordinary equity shares

Category	Number of Equity Shares	% Shareholding
Promoter & Promoter Group	98,18,46,640	72.02%
Public	36,84,98,380	27.03%
Non-Promoter Non-Public	1,30,19,916	0.95%
Total	1,36,33,64,936	100.00%

1.1.2 Shiva Cement Limited:

SHIVA CEMENT LIMITED ("SCL") is a public limited company incorporated under the laws of India bearing corporate identification number L26942MH1985PLC470630 and having its registered office at Jindal Mansion, 5A, Dr. G. Deshmukh Marg, Mumbai, Maharashtra 400026.

SCL is a listed subsidiary of JCL, engaged in the manufacture and sale of clinker and cement. Its clinker, produced at its Odisha facility, is supplied primarily to JCL's grinding units in Eastern India.

Shareholding pattern of SCL:

The issued, subscribed and paid-up equity share capital of SCL as on June 30, 2026 is INR 590.0 Mn consisting of 29,50,00,000 equity shares of face value of INR 2/- each.

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The equity shareholding pattern is as follows:

(a) Ordinary equity shares

Category	Number of Equity Shares	% Shareholding
Promoter & Promoter Group		
JCL	19,53,81,478	66.23%
Mrs. Anushree Parth Jindal	7,94,230	0.27%
Public and Others	9,88,24,292	33.50%
Total	29,50,00,000	100.00%

1.2 Transaction Overview

In accordance with the provisions of the Draft Scheme shared by the Company and Valuation Report received from Valuers, we understand that:

- JCL and SCL form part of the JSW group of Companies. As on June 30, 2026, JCL holds 66.23% of the paid-up equity share capital of SCL. Thus, SCL is a subsidiary of JCL.
- The proposed amalgamation will combine the operations of both companies by way of absorption on a going concern basis, of SCL into JCL. As part of the Scheme, all assets and liabilities as well as reserves of SCL shall be transferred to JCL, and there shall be a consequent dissolution of SCL, without being wound up. The underlying consideration for the same shall be paid and discharged by JCL by way of issuance of its fully paid up equity shares.
- It is proposed to issue equity shares of JCL to the shareholders of SCL, for which the Valuers have arrived at "Share Exchange Ratio" for amalgamation as follows:

5 (Five) Equity Shares of JCL of INR 10 each fully paid up, for every 41 (Forty One) Equity Shares of SCL of INR 2 each fully paid up.

- Upon allotment of the equity shares by Transferee Company to the equity shareholders of Transferor Company, it is envisaged that the entire pre-scheme paid up share capital of the Transferor Company would be cancelled and reduced, without any consideration. All shares of the Transferee Company will be listed and/or admitted to trading on the BSE Limited ("BSE") and National Stock Exchange Limited ("NSE"), which have nation-wide trading terminals.
- As per the Draft Scheme, we understand that the Appointed Date for the Transaction is 1st April 2026.

JCL in terms of the Engagement Letter have requested us to issue our opinion on the fairness of the Share Exchange Ratio as recommended by the Valuer ("Fairness Opinion").

1.3 Sources of Information

In connection with the exercise, we have used the following information received from the Management / Company and gathered from the public domain:

- Valuation Report issued by the Registered Valuer(s).
- Draft Scheme of Arrangement.
- Audited financials of JCL for FY 2026.
- Audited Financials of SCL for FY 2026.
- Key Financial Parameters provided by the Management.
- Clinker Supply Agreement between SCL and JCL dated September 25, 2026.
- Cement Supply Agreement between SCL and JCL dated September 25, 2026.
- Other relevant information and documents for the purpose of this engagement which were available on public domain & provided by the Company with respect to amalgamation.

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9. Other relevant details regarding the Companies such as their history, past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data, including information in the public domain.

10. Such other information and explanations / clarifications as required.

11. Such other Information received during discussion with the Registered Valuer, if any.

2 VIEW ON FAIRNESS OF THE TRANSACTION

As understood from the Draft Scheme of Arrangement shared by the Company and Valuation Report received from Valuers dated September 29, 2026, upon the Draft Scheme being effective, all the shareholders of SCL would also become the shareholders of JCL and their shareholding in JCL would proportionally be adjusted. All shares of JCL will be listed and/or admitted to trading on the BSE and NSE, which have nationwide trading terminals.

In accordance with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant SEBI Master Circulars thereto, based on our examination of the Valuation Report received from Registered Valuer(s), such other information/undertakings/representations provided to us by the Management and our high level 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 Registered Valuer(s) of the Share Exchange Ratio is fair to the shareholders, which is as under:

The Share Exchange Ratio for the proposed amalgamation of SCL into JCL is as under:

5 (Five) Equity Shares of JCL of INR 10 each fully paid up, for every 41 (Forty One) Equity Shares of SCL of INR 2 each fully paid up.

Yours Sincerely,

For SBI Capital Markets Limited



Authorized Signatory

Anita Karnik

Vice President