ANNX-5

Equirus

Equirus Capital Private Limited
12th Floor, C Wing, Marathon Futurex,
N. M. Joshi Marg, Lower Parel,
Mumbai - 400 013
Tel: +91-22- 4332-0600
Fax: +91-22-4332-0601

STRICTLY CONFIDENTIAL

February 19, 2018

The Audit Committee
Godawari Power and Ispat Limited
Unit No: 501-A, Synergy Business Park, Sahakarwadi
Vishweshwar Road, Goregaon East
Mumbai – 400 063

And

The Board of Directors
Godawari Power and Ispat Limited
Unit No: 501-A, Synergy Business Park, Sahakarwadi
Vishweshwar Road, Goregaon East
Mumbai – 400 063

Dear Sirs,

We refer to the engagement letter dated January 13, 2018 ("**Engagement Letter**") whereby Godawari Power and Ispat Limited ("**Company**" or the "**Transferee Company**") has requested Equirus Capital private Limited ("**Equirus**"), a SEBI registered merchant banker, to provide a fairness opinion to the Company based on the valuation report dated February 19, 2018 ("**Valuation Report**") issued by Bansi S. Mehta & Co. ("**Valuer**") for the proposed amalgamation of Jagdamba Power & Alloys Limited ("**Transferor Company**"), as a going concern, into and with the Transferee Company pursuant to a scheme of arrangement under the provisions of Section 230 to Section 232 and other applicable provisions of the Companies Act, 2013 ("**Proposed Scheme**"). We understand that the Proposed Scheme will be considered by the Audit Committee and the Board of Directors of the Transferee Company.

Background of the Transferee Company

The Transferee Company is a public limited company incorporated under the Companies Act, 1956 and having its registered office at 428/2, Phase-I, Industrial Area, Siltara – 493 111, Raipur, Chhattisgarh. The Transferee Company is engaged in the business of steel manufacturing and has an integrated steel plant with a captive power generation plant having a capacity of 73 MW. The equity shares of the Transferee Company are listed on BSE Limited and the National Stock Exchange of India Limited (referred to as "**BSE**" and "**NSE**", respectively, and the together as "**Stock Exchanges**").

Background of the Transferor Company

The Transferor Company is engaged in the business of generation of power and allied activities, operating a 25 MW captive power generation plant. The Transferee Company has acquired 26% shareholding of the Transferor Company in the year 2013 to become captive power consumer of the Transferor Company.

GODAWARI POWER & ISPAT LTD. HIRA RAIPUR

EQUIRUS CAPITAL

Equirus

Equirus Capital Private Limited
12th Floor, C Wing, Marathon Futurex,
N. M. Joshi Marg, Lower Parel.
Mumbai - 400 013
Tel: +91-22- 4332-0600
Fax: +91-22-4332-0601

Purpose of this certificate

The Transferee Company has appointed the Valuer to carry out a fair valuation of the Transferor Company and the Transferee Company and recommend a fair ratio of allotment of equity shares of the Transferee Company to the equity shareholders of the Transferor Company on the proposed amalgamation of the Transferor Company with the Transferee Company ("**Valuation**"). In terms of the Engagement Letter, the Company has requested us to examine the Valuation Report issued by the Valuer and such other information provided by the Transferee Company and issue our independent opinion as to the fairness of the Valuation ("**Fairness Opinion**") in terms of the requirements of SEBI circular no. CIR/CFD/CMD/15/2015 dated November 30, 2015, SEBI circular no. CTR/DTL3/C IR/2017/2 1 dated March 10, 2017 and SEBI circular no. CFD/DIL3/CIR/2018/2 dated January 3, 2018, as applicable.

Source of information

For the said examination and for arriving at the opinion set forth below, we have received:

1. Memorandum of association and articles of association of the Transferor Company and the Transferee Company;
2. Annual reports of the Transferor Company and Transferee Company for the last three financial years;
3. Latest interim financial statements of the Transferor Company and the Transferee Company;
4. Valuation Report issued by the Valuer along with the related workings; and
5. Draft of the Proposed Scheme of arrangement between the Transferor Company and the Transferee Company.

We have also obtained necessary explanations and such other information, which we believed were relevant to the present exercise, from the representatives of the Company.

Conclusion

Based on the facts, information and explanations relevant in the present case, our examination of the Valuation Report and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned herein below and to the best of our knowledge and belief, we are of the opinion that the share entitlement ratio of equity shares of the Transferee Company to be issued to the shareholders of the Transferor Company pursuant to the Proposed Scheme, is fair.

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 Company 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.
- We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of Company or the Transferor Company and

GODAWARI POWER & ISPAT LTD. HIRA RAIPUR (C.G.)

EQUIRUS CAPITAL

Equirus

Equirus Capital Private Limited
12th Floor, C Wing, Marathon Futurex,
N. M. Joshi Marg, Lower Parel,
Mumbai - 400 013
Tel: +91-22- 4332-0600
Fax: +91-22-4332-0601

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 Company or the Transferor Company, nor have we been furnished with any such appraisals.
- We have not made any independent valuation or appraisal of the rational of commercial arrangements already entered into by the Company or the Transferor Company which may have material impact on the share entitlement ratio.
- 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 Company 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.
- We have assumed that the Proposed Scheme will be approved by regulatory authorities and that the Proposed Scheme will be consummated substantially in accordance with the terms set forth in the Proposed Scheme.
- We have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or financial prospects of Company or the Transferor Company, other than those disclosed in the information provided or considered in the Proposed Scheme.
- We understand that the management of Company and, 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 or approval for the Proposed Scheme, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the benefits of the Proposed Scheme that may have been contemplated.
- 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 Company or any of its assets, nor did we negotiate with any other party in this regard.
- In the ordinary course of business, Equirus is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services, by itself or through its affiliates. In the ordinary course of its trading, brokerage and financing activities, any member of the Equirus group may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or loans of any company that may be involved in the Proposed Scheme.
- We express no opinion whatever and make no recommendation at all as to Company's underlying decision to effect the Proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of Company should vote at their respective meetings held in connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Proposed Scheme. We also express no opinion and accordingly accept no responsibility for or as to the price at which the equity shares of Company will trade following the announcement of the Proposed Scheme or as to the financial performance of Company following the consummation of the Proposed Scheme.
- This Fairness Opinion is addressed to the Audit Committee and the Board of Directors of

GODAWARI POWER & ISPAT LTD. RAIPUR (C.G.)

EQUIRUS CAPITAL

Equirus

Equirus Capital Private Limited
12th Floor, C Wing, Marathon Futurex,
N. M. Joshi Marg, Lower Parel,
Mumbai - 400 013
Tel: +91-22-4332-0600
Fax: +91-22-4332-0601

Company solely for the purpose of providing them with an independent opinion on the fairness of the Valuation as determined by the Valuer. The Fairness Opinion shall not be disclosed or referred to publicly or to any other third party, other than as required by Indian law (in which case you would provide us a prior written intimation) without our prior written consent. 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. 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 for any consequences thereof. 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.

Yours truly,

For **Equirus Capital Private Limited**

EQUIRUS CAPITAL PVT. LTD. MUMBAI

Authorized Signatory

GODAWARI POWER & ISPAT LTD. RAIPUR (C.G.) UIRA