

<b>Name</b>	Reliance Strategic Investments Limited			<b>Date</b>	<b>July 20, 2023</b>
<b>Sector</b>	<b>Financial Services</b>				
<b>CMP (INR)</b>	<b>261.85</b>	<b>Market Cap (INR in mn)</b>	<b>20.2</b>		

**Reason for report :**
**Scheme of arrangement:**

This has reference to the impending scheme of demerger of Reliance Strategic Investments Limited

**Demerged Company:** Reliance Industries Limited (RIL)

**Resulting Company:** Reliance Strategic Investments Limited (RSIL) (in future "Jio Financial Services Ltd")

**Scheme of Demerger (Scheme):**

In accordance with provisions of the scheme, RSIL shall issue and allot 1 (One) fully paid-up equity share of RSIL having face value of Rs 10 (Rupees Ten) each for every 1 (One) fully paid-up equity share of Rs 10 (Rupees Ten) each of the Company to the shareholders of the RIL whose names are recorded in the register of members and / or records of the depository as on the Record Date (i.e., Thursday, July 20, 2023).

**Methodology adopted for Valuation of RSIL Shares:**

Multiple schemes of PGIM India Mutual Fund have investments in equity shares of RIL and accordingly entitled to receive equity shares of RSIL as corporate action.

The record date and ex-date of the demerger event is 20th July 2023.

As per "Methodology Document for Equity Indices" issued by NSE Indices Limited, "in case of demerger, the spun off entity shall be included in the index at constant price (which is difference between the demerged company's closing price on T-1 day wherein T is Ex. Demerger date and price derived during Special Pre-Open session (SPOS) on the Ex. Demerger date ).

The spun off business which is the newly listed entity will be there in the indices and shall be removed from the index after end of day (EOD) on third day of its listing.

The stock of RIL had closed at ₹2,841.85 on NSE on 19th Jul 2023. On 20th July 2023, NSE conducted a Special Pre-Open session (SPOS) aimed at determining the share value of RSIL between 9:00 a.m. to 10.00 a.m. RIL share price opened at ₹2,580 per share ex-RSIL on NSE after the SPOS. Accordingly, as per the above methodology, NSE index shall include RSIL at the derived price of ₹261.85 per share (₹2,841.85 - ₹2,580) and shall remain part of the index till third day of its listing at the same constant price.

In case of demerger, the Board approved Valuation Policy requires security to be valued at difference between Last quoted closing price of the original traded share one trading day prior to the ex-date of the demerger and Last quoted closing price of the listed company after the demerger .However as can be seen from above, the indices shall include the security at a constant price which is difference between price of demerged company on T-1 day and SPOS derived price.

As per the Board approved Valuation Policy, in case of exceptional events, the process and methodologies as determined by the valuation Committee shall be considered for the valuation of the securities

Accordingly, as an exceptional event, the schemes of PGIM India Mutual Fund holding equity shares of RSIL on account of corporate action shall value RSIL at ₹261.85 per share for schemes which value securities based on NSE prices..