

To,  
Board of Directors  
PTC Industries Ltd.  
NH-25A, Sarai Sahjadi,  
Lucknow, UP-227101, India.

**Subject : Addendum to the Valuation Report dated June 08, 2023, submitted in the matter of Valuation Analysis of Equity Shares of PTC Industries Limited as per SEBI (ICDR) Regulations.**

Dear Sir / Ma'am,

This is with reference to the Valuation Report dated June 08, 2023, Ref. No: CPV/RV/2023-24/007, issued by us to your good office, for determination of minimum issue price as per the provisions of Regulation 165 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and submission of same with the Stock Exchanges for approval purposes.

Pursuant to the clarification sought by National Stock Exchange of India Limited (NSE), we have been requested, for issuance of an Addendum to the above-mentioned Valuation Report, as issued by us, clarifying the approaches of valuation considered and adopted, for the above said valuation purpose.

We apprise that for the purpose of valuation of equity shares of PTC Industries Limited we have considered and analyzed three approaches of valuation i.e., Asset Approach, Market Approach, and Income Approach. As per our evaluation, the Income Approach has been found to be the most appropriate approach for Valuation of Equity Shares of PTC Industries Limited. So, we have applied Discounted Cash Flow methodology (Income Approach) for the valuation of its equity shares.

It is clarified that we did not employ the Market and Asset based methodologies, reasons for the same are mentioned below:

**Market Approach:**

The Company operates within a specific industry where we have identified two listed peers, namely DCM Engineering Ltd and Synergy Green Industries Ltd. But both these companies fall outside the scope of our direct business operations for the following reasons:

- **DCM Engineering Ltd** is engaged in the manufacturing of cylinder heads, blocks, and housings. The company caters the requirements of cars, multi-utility vehicles, tractors, light commercial vehicles, heavy commercial vehicles and earth moving equipment users.  
Company related information: <http://www.dcmengg.com>.
- **Synergy Green Industries Ltd.** is engaged in the business of foundry, manufactures conehead, upper frame, pump casing, rear wheel, valve body, main axle, cannon tube, main bearing housing, wedges, front wheel, gearbox housing, etc.  
Company related information: <https://www.synergygreenind.com>.



Corporate Professionals Valuation Services Private Limited

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Whereas, PTC Industries Limited is engaged in the manufacturing sector, specializing in castings and serving the Aerospace casting, titanium & vacuum, Powder Metallurgy and CNC machining segments. It is important to note that PTC's business model and product portfolio differ significantly from the companies as mentioned above. These discrepancies arise from variations in their respective product offerings and market focus. Thus, as per our analysis, these two entities do not fall within the direct company criterion.

Further, it may be noted that such limited number (in this case only 2) of peers, would not have provided a comprehensive representation of the entire industry. Nevertheless, we have considered these two companies for BETA calculation only.

Moreover, employing the aforementioned methodology would have necessitated the application of a more substantial discount in order to achieve a fair valuation. Therefore, in our professional opinion, relying on Company Comparable may not provide an accurate representation of the true and equitable value of PTC Industries Limited.

#### **Net Asset Value (NAV) Method:**

The Asset based approach only takes into consideration any Tangible Asset in the Financial Statements of the company, which gives the Minimum value for the enterprise and cannot be considered as a Fair Value. Additionally, the Company's primary focus is on its manufacturing activities, which necessitates an evaluation of its risk and return using future cash flows or comparable companies, rather than solely relying on asset valuation. Furthermore, as per Directors' Report, there is no significant or material order passed during the year by any regulator, court or tribunal impacting the going concern status of the Company or its future operations, meaning that the management has not expressed any intention to divest the business in the foreseeable future. Considering these factors, it is deemed appropriate to exclude asset-based methodology for valuing PTC.

It shall be noted that all other particulars and details as mentioned in the Valuation Report dated June 08, 2023, shall remain unchanged. This Addendum shall be read in conjunction with our Valuation Report Dated June 08, 2023.

**For Corporate Professionals Valuation Services Private Limited**

**Registered Valuer (IBBI)**

**Registration No. IBBI/RV-E/02/2019/106**

  
**Sanchit Vijay**  
**(Director)**



**Place : New Delhi**

**Date : June 29, 2023**