

## Press Release

### **PTC Industries acquires Vacuum Arc Remelter (VAR)**

#### **One of the few Companies in world to attain this capability**

**Lucknow, Uttar Pradesh, 25<sup>th</sup> July 2022:** PTC Industries Limited (herein referred to as “PTC”), a manufacturer of high-quality engineering metal components for various critical and super-critical applications, today announced the strategic acquisition of Vacuum Arc Remelter (VAR) for manufacturing Titanium ingots under its wholly owned subsidiary “Aerolloy Technologies Limited (ATL)”. This facility is to be set-up in the 50 acres land allotted to ATL in the Lucknow node of the UP Defence Industrial Corridor (with reference to press release on [17<sup>th</sup> January 2022](#)).

This procurement of Vacuum Arc Remelter is a key milestone towards company’s endeavour to bring the best-in-class technologies in India and of setting-up a fully integrated material manufacturing capabilities of all exotic materials, including Titanium ingots and recycling facility, Cobalt, and Nickel Superalloys, in three phases at this facility. The Company has already initiated the capex in the first phase which is underway and has acquired and set-up the Vacuum Arc Remelter facility which is critical for manufacturing of Titanium Ingots from Sponge (ore) with a total capacity 1,500 tonnes per annum.

Moving ahead in the first phase, PTC will continue investing in setting up more such strategic and critical material facilities along with the acquisition of Titanium Melting & Recycling Furnaces & Plants in the coming months. The global Titanium industry is facing supply chain disruptions amidst macro-economic developments like the Russia-Ukraine conflict. With the changing market dynamics and impact of recent macro-economic developments, there may be a structural shift in the global titanium supply-chain. Titanium being a critical element for aerospace and defence manufacturing, its demand is likely to remain persistent.

***Speaking on this major accomplishment, Mr. Sachin Agarwal, Chairman & Managing Director, said: “We are elated to announce that we have successfully acquired the Vacuum Arc Remelter to manufacture Titanium Ingots. The Current acquisition will give PTC capabilities and platform to stand with titanium manufacturers across the globe. This acquisition is a steppingstone towards establishing unmatched capabilities and platform for next leg of growth for PTC Industries. We at PTC have built strong roots over the years and are confident to nurture the growth of the Company and simultaneously strengthen India’s Defence and Aerospace capability.”***

### About Titanium:

Titanium is a strong and lightweight refractory metal. Titanium alloys are critical to the aerospace industry, while also being used in medical, chemical, and military hardware, and sporting equipment. Aerospace applications account for 80% of titanium consumption, while 20% of the metal is used in armour, medical hardware, and consumer goods. The global titanium sponge production stood around 2,10,000 tons in 2020. Geographically, large titanium sponge producer countries are China, Japan, Russia, Kazakhstan, Ukraine, and India.

### Titanium – Global supply chain disruption:

The recent escalating conflict between Russia and Ukraine has impacted titanium supply chain, as both Russia and Ukraine are the main suppliers of titanium and account for most of the exports and provide global customers with sponge titanium or titanium materials. Furthermore, subsequent sanctions from Europe and the United States may impact the export of Russian titanium metal leading to tight supply of titanium metal in the market.

Russia Avisma (VSMPO) is the world's largest titanium sponge producer with an annual production capacity of 34,000 tons per annum. A major supplier of the titanium used in Airbus and Boeing aircraft skins is the company that supplies a significant portion.

The Ukrainian Zaporozzi Titanium and Magnesium Joint Enterprise is a titanium sponge factory with an annual production capacity of 12,000 tons. In 2020, China's export volume of titanium sponge was 548.5 tons, a year-on-year decrease of 47.6%.

### **About PTC Industries Limited:**

Incorporated in 1963, PTC Industries Limited is a manufacturer of high-quality engineering components of various critical and super-critical applications. PTC manufactures products for a wide spectrum of industrial applications including that for Oil and Gas and Liquefied Natural Gas (LNG), Offshore and Marine, Valves and Flow Control, Power Plants and turbines, Pulp and Paper Machinery and Mining and other Engineering and Capital Goods Industries. In the past few years, there has been an added impetus to relentlessly and constantly develop and indigenize latest cutting-edge technologies for manufacturing of strategic materials, components, and sub systems for various Defence and Aerospace applications which will be the growth engine for company in future.

### **For more information, please contact:**

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#### **PTC Industries Limited**

Smita Agarwal, Director & CFO

[www.ptcil.com](http://www.ptcil.com)

#### **Ernst & Young LLP**

Vikash Verma / Abhishek Bhatt

[vikash.verma1@in.ey.com](mailto:vikash.verma1@in.ey.com) / [abhishek.bhatt3@in.ey.com](mailto:abhishek.bhatt3@in.ey.com)

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