POLYGENTA

Valuation Report

Valuation of Polygenta Technologies Limited
Date: 07th August 2020
Bhavesh M Rathod
(Reg No: IBBI/RV/06/2019/10708)

Index

Terms and Engagement

Terms and Engagement (1/5)

To, 7th August, 2020

Thw Board of Directors of Polygenta Technologies Limited,

Kaledonia (HDIL) Building, Unit No.1B, 5th floor, Sahar Road, Off Western Express Highway, Andheri (East), Mumbai 400 069 India

Subject: Valuation Report of Polygenta Technologies

Dear Sir,

This is in accordance with the terms of reference set out in our engagement letter dated 21st July 2020, wherein Bhavesh Rathod (BR) (Registered Valuer) has been appointed by Polygenta Technologies Limited ("PTL" or "the Company"). For this purpose, the PTL intends to engage the services of BR to carry out a fair market valuation of the equity shares of PTL as on 30th June 2020 ("Valuation Date").

We have conducted our valuation exercise using various parameters on the basis of information/documents and explanations provided to us by the management of your Company. Based on the same, our report on valuation of PTL is submitted herewith for your kind reference. Needless to mention, we have relied on the information provided by the Company and not independently verified the accuracy of the information provided to us.

This Valuation Report ("Report") sets out BR's conclusion on the fair market valuation applying generally accepted valuation methodologies. This Report does not constitute an offer or invitation to any section of the public to subscribe for or purchase any securities in, or the other business or assets or liabilities of Polygenta Technologies Limited. This letter forms an integral part of the Report.

Should you require any further information/clarifications, please do not hesitate to contact us. Thanking you and assuring you of best of our professional services at all times.

Bhavesh M Rathod

Chartered Accountants

M No: 119158

Registered Valuer - Securities or Financial Assets

(Reg No: IBBI/RV/06/2019/10708)

Place : Mumbai

UDIN: 20119158AAAAOK7001

Terms and Engagement (2/5)

- **Scope and limitations**

This Report is based on the historical financial statements and the business plan of the Company provided by the management of PTL ("Business Plan"). BR has not independently verified the historical financial statements, Business Plan and underlying data and assumptions and accordingly provide no opinion on the factual basis of the same

This report has been prepared with the understanding that the management of PTL has drawn our attention to all the matters concerning the Company, which may have an impact on our opinion with respect to the valuation of the Company

If there are any omissions, inaccuracies or misrepresentation of the information provided by the Client and the management of PTL, that may have a material effect on our findings and may impact our valuation analysis. Our recommendation is dependent upon the information furnished to us being complete and accurate in all material respects

We cannot comment on the achievability and reasonableness of the Business Plan provided to us. Any changes in this or any deviation in the actual performance compared to the Business Plan may impact the valuation

Our work did not constitute an audit of the financial statements and accordingly, we do not express any opinion on the truth and fairness of the financial position as indicated in this Report. Our work did not constitute a validation of the financial statements of the Company, and accordingly, we do not express any opinion on the same

BR has not performed any procedures to establish reasonableness or appropriateness of the historical financial statements, Business Plan provided to us and have relied upon them for the valuation exercise

For our analysis, we have relied on published and secondary sources of data, whether or not made available by the PTL. We have not independently verified the accuracy or timeliness of the same

We are not responsible for updating this Report because of events or transactions occurring subsequent to the date of this Report

Any changes in the assumptions or methodology used to prepare the financial statements of the Company may impact our valuation analysis

Our valuation should be considered as a whole. Any change in assumptions or part of the valuation may result in a different opinion

Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While we have provided an assessment of the value based on the information available, application of certain formula and within the scope and constraints of our engagement, others may place a different value to the same

No investigation of the Company claim to title of assets has been made for the purpose of this valuation and the Company claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. Our report is not nor should it be construed as our opining or certifying the compliance with the provisions of any law including company and taxation laws or as regards any legal, accounting or taxation implications or issues

Terms and Engagement (3/5)

- **Reliance on the Information Provided**

During the course of the valuation, we have been provided with latest available unaudited/provisional Financial Statements and projections of the Company. We have evaluated the information provided to us through broad inquiry, analysis and review (but have not carried out a due diligence or audit of the Financial Statements for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided). The equity capital base for the purpose of this valuation is arrived based on the latest shareholding pattern as provided by the management. The terms of our engagement were such that we were entitled to rely upon the information provided without detailed inquiry. Also, we have been given to understand that the company has not omitted any relevant and material factors which could impact the valuation result. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. We assumes no responsibility for any errors in the above information furnished by the Company and their impact on the present exercise. Our work does not constitute an audit, due diligence or certification of the historical or projected financial statements of the Company. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this Report.

No investigation of the Company's claim to title of assets of the business has been made for the purpose of this valuation and the Company's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. No responsibility is assumed for matters of a legal nature. We were not required to carry out a legal due diligence review.

- **Financial Projections**

Valuation is for the future and it is future stream of earnings which are of utmost significance in the process of valuation. Therefore, valuation results may sometimes be based on forecast of revenue and assets & liabilities of the company/business. It must be understood that projections are the responsibility of the management and we do not guarantee any form of assurance or accuracy or achievability on the same. There can be substantial differences in the estimated and the actual data as events and circumstances generally do not occur exactly as expected. The financial projections have been provided to us by Company's management which we have completely relied upon and therefore assume no responsibility for its accuracy & completeness. The conclusion arrived at is a valuation result or a calculation result and depends upon the nature of financial information provided and reliance placed on the same by us.

Terms and Engagement (4/5)

- **Assumptions / Limitations**

Any valuation is based on certain assumptions to various components of value, calculations, methodologies etc., and the present exercise is of no exception. Further, we might not have been provided with the exact data, requiring us to make assumptions therefore. Moreover, all the assumptions are discretionary and subjective and we do not assume any responsibility for accuracy, preciseness or appropriateness of any one or more of the assumption(s) made by us for arriving at the valuation as aforesaid.

- **Date of the Report**

Valuation analysis and results are specific to the date of this Report. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report. The reporting date for the purpose of valuation has been taken as June 30 2020

- **Use of Report**

The Report will not be used by the Client for any purpose other than for presenting it to the Board of Directors of the Client, Registrar of Companies (ROC) . We will not accept any responsibility to any other party to whom the report may be shown or who may acquire a copy of the report. The report can be used for any other legitimate purpose as may be required subject to prior consent of BR

The Report will not be copied, disclosed or circulated or referred to in correspondence or discussion with any third party or used for any purpose other than as mentioned above without BR's prior written consent. We will not accept any responsibility to any other party to whom the report may be shown or who may acquire a copy of the report

- **Indemnification**

The Company agrees that in the particular circumstances of the case, liability to the Client of BR, its partners, employees, affiliates and agents (in contract or tort or under statute or otherwise) for any economic loss or damage suffered by the Client or any other party arising out of or in connection with this Engagement, however the loss or damage is caused, including our negligence but not our willful default, shall be limited to the amount of one times the fees actually received by BR for such work, and that the Client will indemnify and hold harmless BR and its partners, employees, affiliates and agents as concerns any such liability in excess of the foregoing limit. In the event BR is requested pursuant to legal process (initiated due to any act of negligence or act of omission or commission directly attributable to the Client) to produce its documents relating to this Engagement for the Client in judicial or administrative proceedings to which BR is not party, the Client will, at their cost, engage the services of such professionals as may be required to enable BR to respond to such request

Terms and Engagement (5/5)

- **Sources of information**
  - This Report is prepared on the basis of information provided by and discussions held with the management of PTL and the Client
  - Audited financials of PTL for the FY 2019-2020 & Unaudited financials quarter ended 30th June 2020
  - Audited financials of PTL for the year ended FY 2018-19
  - Projections and business plan of PTL for the financial year FY 2020-21(9M) to FY 2029-30
  - Details of Shareholding and numbers of Equity Shares as on valuation date
  - Management Representation
  - All Company specific information were sourced from the management of the Company, either in the written hard copy or digital form;
  - Other information / data available in public domain

Background & Scope of Work

- **Background - Company overview**

The Company was originally incorporated as a Private Limited Company in the name of Maskara Polytex Private Limited and a certificate of incorporation was granted to the Company on October 6, 1981 under the Companies Act, 1956. The Company was converted into a public limited company under the name and style of Maskara Polytex Limited and a fresh certificate of incorporation was issued on September 30, 1994. Subsequently, the name of the Company was changed to Maskara Industries Limited and further to Polygenta Technologies Limited on July 7, 1995 and June 25, 2001 respectively. The Company got listed on BSE in 1995 and w.e.f. 30 April 2020 it has been delisted from BSE..

- **Scope of work**

The agreed scope of work is limited to the use of valuation approaches and methodologies to arrive at the fair value conclusion. The scope includes valuation of equity shares of the company. We have not conducted or provided an analysis or prepared a model for any fixed asset valuation and have wholly relied on information provided by the management of the Company in that regard.

This valuation is limited by the procedures followed to collect and analyse the information necessary to support the conclusions and by the selection of approaches to value that are deemed most appropriate.

- **Purpose of valuation**

PTL is Proposing to issue a preferential allotment of shares amounting to INR 800 million to its promoters group company viz.PerPETual Technologies GMBH ("PTG"), hence need to have a valuation done by a Registered Valuer for determining the fair value of Equity Shares under the provisions of Companies Act 2013 & applicable rules there under. Presently, PTG is a 100% subsidiary of Perpetual Global Technologies Limited ("PGTL") which owns 95.60% shareholding in Polygenta

- **Premise of value**

The premise of value for our analyses is **going concern** value as there is neither a planned or contemplated discontinuance of any line of business nor any liquidation of the company.

Valuation Methodology and Approach

Valuation Methodology and Approach

- **Basis of valuation**
  - This valuation has been prepared on the basis of "Fair Value" and values the equity shares of the Company as at 30th June 2020
  - The generally accepted definition of "Fair Value" is the value as applied between a hypothetical willing vendor and a hypothetical willing prudent buyer in an open market and with access to all relevant information
  - The Fair Value of the Company has been carried out on the basic assumption of a going concern entity
  - In estimating the Fair Value for a Company, the methodology to be adopted has to be appropriate in light of the nature, facts and circumstances of the Company and its materiality and should use reasonable data and market inputs, assumptions and estimates

- **Valuation approaches**

"Fair Value" is commonly derived by applying one or more of the following valuation approaches:

- **Income approach**

  The income approach recognizes that the value of any business is a function of the expected free cash flows that it can help generate in the future. Discounted Cash Flow Method is a form of the income approach that is most commonly used to value businesses or equity interests

- **Market approach**

  The market approach assumes that companies operating in the same industry will share similar characteristics and the company values will correlate to those characteristics. Therefore, a comparison of the subject company to similar companies whose financial information is publicly available may provide a reasonable basis to estimate the subject company's value

  There are three forms of the Market approach –1) The Market Price Method, 2) The Comparable Companies Approach ("CoCo") and 3) The Comparable Transactions Approach ("CoTrans")

- **Cost approach**

  The cost approach either considers book value or replacement cost or realisable value as an indicator of value

Valuation Methodology and Approach

- **Valuation Methodologies:**

Approach	Methodology Used	Rationale
Income Approach ■ Discounted Cash Flows ("DCF")	✓	– The Income Approach recognizes that the equity value of any Company is a function of the expected cash flow earnings that its business can help generate in the future. DCF method is one of the most common methodologies used under Income Approach. Under this approach, forecasted cash flows are discounted back to the present date, generating a net present value for the cash flow stream of the business. A terminal value at the end of the explicit forecast period is then determined and that value is also discounted back to the valuation date to give an overall value for the business – A Discounted cash flow methodology typically requires the forecast period to be of such a length to enable the business to achieve a stabilized level of earnings, or to be reflective of an entire operation cycle for more cyclical industries – The rate at which the future cash flows are discounted ("the discount rate") should reflect not only the time value of money, but also the risk associated with the business' future operations. The discount rate most generally employed is Weighted Average Cost of Capital ("WACC") or Cost of Equity ("Ke"), reflecting an optimal as opposed to actual financing structure – In calculating the terminal value, regard must be had to the business' potential for further growth beyond the explicit forecast period. The "constant growth model", which applies an expected constant level of growth to the cash flow forecast in the last year of the forecast period and assumes such growth is achieved in perpetuity, is a common method – In the current context, DCF method is considered to be appropriate and a relevant approach to calculate the fair value of the equity shares of the Company

Valuation Methodology and Approach

- **Valuation Methodologies:**

Approach	Methodology Used	Rationale
Market Approach ■ Comparable Companies ("Coco") Method	×	– This is a relative method of valuation and the value of a company is derived based on how comparable listed companies are valued. Under this method, valuation multiples of comparable listed companies are derived as a function of its performance indicators such as EBITDA, PAT, revenues. The fair value is estimated by multiplying the valuation multiple of comparable listed companies with the performance indicators of the company being valued. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company – Since PTL has been delisted from stock exchange on 30th April, 2020 it is difficult to find companies that are engaged in the same or a similar line of business as that of Polygenta Technologies Limited. Hence we have not used the Comparable Companies approach
Market Approach ■ Comparable Transactions ("CoTrans") Method	×	– This is a relative method of valuation and the value of a company is derived based on the valuations at which equity transactions took place in comparable companies. Under this method, valuation multiples of comparables companies are derived as a function of its performance indicators such as EBITDA, PAT, revenues. The fair value is estimated by multiplying the valuation multiple of comparable companies with the performance indicators of the company being valued. Although no two companies are entirely alike, the companies selected from recent transactions should be engaged in the same or a similar line of business as the subject company – There is no reliable information available in the public domain on recent comparable transactions in companies that are engaged in similar business as PTL. Further, all the necessary information required to form a view on valuation multiples of such transactions like purpose of investments, transaction rationale, synergy benefits, etc. are also not available in the public domain. Hence, Comparable Transactions approach, in this specific case, has not been considered

Valuation Methodology and Approach

- **Valuation Methodologies:**

Approach	Methodology Used	Rationale
Market Approach ▪ Market Price Method	×	– Under this approach, the value of the business is arrived at considering the volume-weightage average market price of the Company which is based on the daily moving averages of the last six-months' volume traded weighted average of closing price on the stock exchange where the Company's shares are most frequently traded – Frequently traded shares means shares of a company in which the traded turnover on any stock exchange during the twelve calendar months preceding the relevant date, is at least 10% of the total number of shares of such class of shares of the company – The Company's shares has been delisted from Bombay Stock Exchange on 30th April 2020, Hence, market price method has not been used
Cost Approach ▪ Net Asset Method	✓	– Under the Cost approach, total value is based on the net realisable value of the company's asset and liabilities – We have considered the Net Asset Value (NAV) approach for the purpose of our analysis

Valuation Methodology and Approach

- **Selecting the appropriate methodology**
  - We have exercised our judgment to select the valuation methodology that is the most appropriate for the Company. The key criterion in selecting a methodology is that it should be appropriate in light of the nature, facts and circumstances of the Company
  - Where several methodologies are appropriate to value a specific company, we have considered the outcome of these different valuation methodologies so that the results of one particular method may be used as a cross-check of values or to corroborate or otherwise be used in conjunction with one or more other methodologies in order to determine the fair value

- **Methodologies adopted**

DCF	✓
CoCo	✗
CoTrans	✗
Market price	✗
NAV	✓

Overview – Polygenta Technologies Limited

- PerPETual Global Technologies Limited (PGTL) was incorporated in 2007 to commercialise its proprietary and patented recycling process technology (Intellectual Property – "IP") for recycling of PET. This patented process transforms, cost- competitively (as compared to other recyclers) post-consumer polyester ("PET" or "p-cPET" or "rPET") plastic bottles back into high quality esters, that are indistinguishable from esters derived from virgin petrochemical (i.e. PTA and MEG). These high quality esters are used in the production of polyester products. The rights to the patents and all proprietary know-how related to the "IP" are owned by PerPETual

- PerPETual owns and operates in India through its subsidiary Polygenta Technologies Limited ("PTL"). PTL has an integrated plant in Nasik (Maharashtra) that operates on a continuous 24/7 basis producing high-quality 100% recycled texturised filament yarn using esters produced using IP of perPETual

- PTL's manufacturing plant in Nashik has an operating capacity of 35MT/ day. It currently processes ~2 million plastic bottles/ day

- Its product portfolio include PET chips, partially oriented yarn, fully drawn yarn (FDY) and drawn textured yarn (DTY)

- Its clientele includes Puma, Adidas, The North Face, H&M, Zara, Decathlon, Forever 21, M&S, Wills Lifestyle, Arvind, etc.
- PGTL believes that a turnaround of PTL is possible by increasing its operating capacity (production) from existing 35 / day to ~135 tons/ day. This increase in capacity will require further infusion of capital in PTL (estimated to be ~ Rs. 1875 Mn over the next 2-3 years)

- PTL has been delisted from Bombay Stock Exchange effective 30th April 2020.

Overview – Polygenta Technologies Limited

- **Financial Snapshot**

Income Statements	Audited	Projected									(INR in Million)
	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
Total Revenue	1,151	1,126	1,176	4,731	4,895	4,993	5,093	5,195	5,299	5,405	5,513
EBITDA Before abnormal items	119	117	123	772	848	857	866	875	883	891	899
EBITDA Margin (%)	10%	10%	10%	16%	17%	17%	17%	17%	17%	16%	16%
License fees		-	-	-	-	-	-	-	-	-	-
EBDT	113	108	113	621	702	718	733	747	760	767	772
EBDT Margin (%)	10%	10%	10%	13%	14%	14%	14%	14%	14%	14%	14%
EBT	-46	-66	-64	349	414	427	440	452	463	467	470
EBT Margin (%)	-4%	-6%	-5%	7%	8%	9%	9%	9%	9%	9%	9%
PAT	-46	-66	-64	349	414	427	440	452	463	467	470
PAT Margin (%)	-4%	-6%	- 0	7%	8%	9%	9%	9%	9%	9%	9%
Networth	1,958	2,600	2,500	2,744	2,987	3,180	3,366	3,535	3,710	3,785	3,858

Valuation

Valuation analysis: DCF method

Particulars	Audited	Unaudited	Projected									(INR in Million)
	FY 20	FY 21(3M)	FY 21(9M)	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
Revenue	1,151	114	1,012	1,176	4,731	4,895	4,993	5,093	5,195	5,299	5,405	5,513
EBITDA	119	0	117	123	772	848	857	866	875	883	891	899
PAT	(46)	(42)	(24)	(64)	349	414	427	440	452	463	467	470
Year			1	2	3	4	5	6	7	8	9	10
Cash Flow	119	0	117	123	772	848	857	866	875	883	891	899
Gross Cash Flow	119	(12)	81	252	267	835	844	852	861	869	877	885
Free Cash Flow to the Firm	119	(163)	(374)	(832)	68	802	810	819	827	835	842	850
Discount Rate WACC (%)	-	-	19.66%	19.66%	19.66%	19.66%	19.66%	19.66%	19.66%	19.66%	19.66%	19.66%
Discounted Cash Flows	119	(163)	(313)	(581)	40	391	330	279	235	199	168	141

Valuation (INR)	(INR in Million)
Explicit Preiod Cash Flow	889
Terminal Value	816
Enterprise Value	1,705
Add: Cash and Cash Equivalent	19
Less: DLOM	85
Less: Loan	3,455
Net Equity Value	(1,817)
No of Share	156
Equity Value per share	(11.63)

The equity valuation of Polygenta Technologies Limited as at 30th June 2020 based on DCF approach is (11.63) Per Equity.

Notes: Source: Management estimates, Company filings, Annual reports, bseindia.com.

Valuation analysis: DCF method (Cost of Equity "Ke")

Particular	Percentage	Explanation
Risk Free rate (Rf)	6.56%	Risk free rate has been considered based on 10 years Zero coupon yield curve issued by Government of India as at Valuation Date.
Equity Risk Premium	9.24%	Market Premium = Market Return – Risk Free Rate
Market Return (Rm)	15.80%	Market Return has been considered based on the long term average returns earned by an equity investor investing in India corraborrated by long term average returns of the Bombay Stock Exchange.
Relevered Beta (B)	1.23%	Unlevered Beta has been relevered to reflect Company's target D/E ratio based on the industry's benchmark D/E Ratio.
Cost of Equity	17.93%	Ke = Rf + β x (Rm-Rf)
Company Specific Risk Premium (Ksp)	2.00%	Specific Premium added on account of factors inter-alia, risk of achieving projections, ability to raise capital to fund the expansion of the capacity, competition from the existing competitors of virgin polymer products etc.
Cost of Equity (Ke)	19.93%	
WACC	19.66%	WACC has been calculated based on Projected Equity & Debt. Further ECB debt being in nature of quasi-equity the same has been considered as equity for the purpose of WACC calculation

Valuation analysis: Net Asset Value (NAV) method

- The cost approach either considers book value or replacement cost or realizable value as an indicator of value
- We have determined the fair value under this approach based on the unaudited balance sheet of PTL as on 30th June 2020, provided by the Client/ management of PTL, that gives a true and fair view of the assets and liabilities and is free from material misstatement (as represented by the Client/ PTL), whether due to fraud or error. Hence, the values of all assets and liabilities have been taken at the stated book value for the purpose of NAV based valuation except for land, for which value is taken as per the market value estimate provided by the Client
- Tangible fixed assets includes the book value of building of INR 295.8 Mn. Market value of land as per the estimates provided by management is INR 79.9 Mn. The market value estimate of land has been considered (and not the book value) for arriving at the fair value as per NAV method. The valuation is subject to the all trade receivables being good and realizable in full

The equity valuation of Polygenta Technologies Limited as at 30th June 2020 based on NAV approach is (9.2) as the net asset value is negative

Unaudited Balance Sheet as on 30th June 2020	
Particulars	**INR in Million**
ASSETS	
Non-current Assets	
(a) Property, Plant and Equipment	1,722
(b) Intangible assets	1
(c) Other financial assets	1
(d) Other non - current assets	3
Total Non-Current Assets	1,726
Current assets	
(a) Inventories	212
(b) Trade and other receivables	107
(c) Cash and cash equivalents	19
(d) Bank Balances other than (ii) above	36
(e) Other current financial assets	0
(f) Current Tax Assets (Net)	1
(g) Other current assets	86
Total Current Assets	462
TOTAL ASSETS	2,188
LIABILITIES	
(a) Borrowings	36
(b) Borrowings (mainly related to ECB)	3,423
Current liabilities	158
TOTAL LIABILITIES	3,617
Net Asset Value	-1,429
No of Equity Capital of 10 each	156
Equity Value per share	**-9.2**

Valuation analysis:

- The current valuation has been carried out based on the valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations, were given due consideration.
- We would like to bring it to your notice that in the ultimate analysis, value analysis will have to be arrived by the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheet, but which will strongly influence the worth of a share.
- The parent company of PTL (viz. Perpetual Global Technologies Limited ("PGTL")) had recently (in March 2020) made an offer, pursuant to the applicable delisting regulations, to all the shareholders of the PTL to buy their shareholding in PTL at a price of Re 1/ per equity share. Pursuant to the shares tendered by the shareholders in the offer, the equity shares of PTL was finally delisted from BSE w.e.f. 30 April 2020. As per the SEBI requirements, PGTL has kept the offer open and shall continue to accept the shares tendered by any remaining public shareholders holding such equity shares, for up to a period of two years from the date of delisting, at the same price (i.e. Re 1/ equity share).
- Considering all the relevant factors and circumstances as discussed and outlined above, we have considered the NAV Method under "Cost Approach" and DCF Method under "Income Method" to arrive at the Equity Value of PTL.. Under both the methods, the equity value of the Company is negative.

- **Fair value conclusion**
- Based on the analyses and as per the valuation methods applied, the fair value of the equity shares as of the valuation date has been estimated to be as follows:
- As equity value of the company is negative as determined as per valuation approaches outlined above, we have considered Floor Price @ Rs.1/- per Equity Share of face value of Rs.10/- This is also the price as available under delisting offer to existing share holders.

Glossary TBU

BV	Book Value
CAGR	Compounded Annual Growth Rate
Capex	Capital Expenditure
CCE	Cash and Cash Equivalents
CoCo	Comparable Companies
CoTrans	Comparable Transactions
Crs	Crores
DCF	Discounted Cash Flows
EBIT	Earnings Before Interest and Tax
EBIDTA	Earnings Before Interest Depreciation Tax & Amortization
EV	Enterprise Value
FCFE	Free Cash Flow to Equity
FCFF	Free Cash Flow to Firm
FV	Fair Value

FY	Financial Year
INR	Indian Rupee
BR	Bhavesh Rathod
LoE	Letter of Engagement
MI	Minority Interest
NA	Not Applicable
NM	Not Meaningful
NOI	Non Operating Investment
NOPLAT	Net Operating Profit Less Adjusted Taxes
PAT	Profit After Taxes
TTM	Trailing Twelve Months
TV	Terminal Value
WACC	Weighted Average Cost of Capital

Bhavesh M Rathod

Chartered Accountants

M No: 119158

Registered Valuer - Securities or Financial Assets

(Reg No: IBBI/RV/06/2019/10708)