RV SHREYANSH M JAIN
Registered Valuer (SFA)

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Date: March 03, 2025

To,
The Audit Committee/ Board of Directors,
Pradeep Metals Limited,
R 205 TTC Industrial Area, MIDC Rabale,
Post Ghansoli, Navi Mumbai,
Maharashtra, India, 400701

To,
The Audit Committee / Board of Directors,
Nami Capital Private Limited
Plot No. PAP-R-302,303,304,305 TTC Industrial Area, MIDC, Rabale, Navi Mumbai, Maharashtra, India, 400701.

Subject: Recommendation of fair share exchange ratio for the proposed amalgamation of Nami Capital Private Limited with Pradeep Metals Limited.

Dear Sir/Madam,

I refer to the engagement letter dated February 12, 2025 whereby, I, Shreyansh M. Jain – Registered Valuer – Securities or Financial Assets (hereinafter referred to as 'Registered Valuer' or 'Valuer' or 'I') have been appointed by Pradeep Metals Limited (hereinafter referred to as 'PML' or 'Transferee Company') and Nami Capital Private Limited ('NCPL' or 'Transferor Company') to recommend a fair share exchange ratio for the proposed amalgamation of NCPL with PML (hereinafter referred to as the 'Proposed Amalgamation'), as more particularly provided for in the Draft Scheme of Amalgamation.

PML and NCPL are hereinafter together referred to as the 'Transacting Companies' or 'the Companies' or 'the Clients' and individually referred to as "Company", as the context may require.

The Management including the Board of Directors of the Transacting Companies shall together be referred to as 'the Management'.

This report sets out my scope of work, background, sources of information, procedures performed by me and my recommendation of the fair share exchange ratio.

SCOPE AND PURPOSE OF THIS REPORT

I understand that the Management are contemplating a scheme of amalgamation, wherein they intend to amalgamate NCPL with PML in accordance with the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and any other applicable law for the time being in force including the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued therein ("the Regulations"), in each case, as amended from time to time, and in a manner provided in the Draft Scheme of Amalgamation (hereinafter referred to as 'the Scheme').

Subject to necessary approvals, NCPL would be amalgamated with PML with effect from Appointed Date.

I understand that as consideration for the proposed amalgamation of NCPL with PML, equity and preference shareholders of NCPL would be issued equity shares of PML.

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In this connection, I have been appointed by Transacting Companies, to recommend the fair share exchange ratio to Audit Committee / Board of Directors of the Companies for the Proposed Amalgamation (hereinafter referred to as "Report").

I understand that the appointed date for the Proposed Amalgamation shall be Effective Date or such other date as the National Company Law Tribunal ('NCLT') may direct.

For the purpose of this Report, I have considered Valuation Date to be February 28, 2025 ('Valuation Date').

The scope of my service is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of the Transacting Companies using internationally accepted valuation methodologies as may be applicable to the Transacting Companies and then arrive at the fair share exchange ratio and report on the same in accordance with generally accepted professional standards and requirement prescribed by the regulations applicable to listed companies as prescribed by SEBI.

I have worked independently in my analysis. I have independently arrived at different values per share of the Transacting Companies.

I have relied on the above while arriving at fair share exchange ratio for the Proposed Amalgamation.

I have been informed that:

Till the Proposed Amalgamation becomes effective, neither of the Transacting Companies would declare any dividend which are materially different from those declared in the past few years.

There would be no significant variation between the draft Scheme of arrangement and the final scheme approved and submitted with the relevant authorities.

I have been informed that, in the event either of the Transacting Companies restructure their equity share capital by way of share split / consolidation / issue of bonus shares / merger / demerger / reduction of share capital before the Scheme becomes effective, the issue of shares pursuant to the fair share exchange ratio recommended in this Report shall be adjusted accordingly to consider the effect of any such corporate actions.

This Report is my deliverable for the above engagement and is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter.

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BRIEF BACKGROUND

NAMI CAPITAL PRIVATE LIMITED

Nami Capital Private Limited is a private company, limited by shares, incorporated on October 11, 1994, under the provisions of the Companies Act, 1956 bearing Corporate Identification Number ("CIN") U99999MH1994PTC081920 and having its registered office at Plot No. PAP-R-302,303,304,305 TTC Industrial Area, MIDC, Rabale, Navi Mumbai, Maharashtra, India, 400701.

NCPL is engaged in the business of (i) trading in steel metals and (ii) trading and investing in quoted and unquoted securities.

The summary of the equity shareholding pattern of NCPL as on the Report Date is as under:

Name of the Shareholder	No. of shares held (Face Value – INR 10 each)	Shareholding (%)
Mrs. Neeru Goyal	1,27,722	78.03%
Mr. Pradeep Goyal	35,962	21.97%
Total	**1,63,684**	**100.0%**

The summary of the non-convertible redeemable preference (RPS) shareholding pattern of NCPL as on the Report Date is as under:

Name of the Shareholder	No. of shares held (Face Value – INR 100 each)*	Shareholding (%)
Mrs. Neeru Goyal	5,00,000	100.00%
Total	**5,00,000**	**100.00%**

**All the preference shares are paid up to the extent of INR 16/- each.*

(Source: Management)

PRADEEP METAL LIMITED

Pradeep Metal Limited is a public company, limited by shares, incorporated on January 22, 1982, under the provisions of the Companies Act, 1956 bearing CIN L99999MH1982PLC026191 and having its registered office No. R 205 TTC Industrial Area, MIDC Rabale, Post Ghansoli, Navi Mumbai, Maharashtra, India, 400701. The equity shares of the Transferee Company are listed and traded on BSE Limited.

PML is engaged mainly in the business of (i) manufacture and sale of metal forgings and castings, automotive and machinery parts, tools, pipe fittings; and (ii) business of design, development, manufacture, supply, dealing, operating, trading, overhaul, repair, maintenance and service of all kinds of defence and non-defence systems.

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The summary of the equity shareholding pattern of PML as on the Report Date is as under:

Category of the Shareholder		No. of shares held (FV – INR 10 each)	Shareholding (%)
Promoter & Promoter Group#		1,26,90,783	73.48%
Public		45,79,217	26.52%
	Total	**1,72,70,000**	**100.00%**

(Source: Management)

#Includes 1,01,94,456 equity shares held by NCPL, I understand that upon the Scheme being effective, the equity shares of PML held by NCPL shall stand automatically cancelled.

SOURCES OF INFORMATION

In connection with this exercise, I have received the following information about the Transacting Companies from the Management of the respective company / obtained from the public domain:

- Draft Scheme (as duly certified by the Management);
- Audited financial statements of PML and NCPL for the financial year 2023-24;
- Limited reviewed financial of PML for nine months period from April 01, 2024 to December 31, 2024;
- Audited financial statements of NCPL for ten months period from April 01, 2024 to January 31, 2025;
- Financial projections of PML for three months period from January 01, 2025 to March 31, 2025 and for the period April 01, 2025 to March 31, 2030;
- Shareholding pattern of PML and NCPL as at the Report Date;
- Market Price of PML as published by BSE limited;
- Discussions with the Managements to obtain requisite explanation and clarification of data provided, to inter-alia understand their perception of historical and expected future performance of PML and NCPL;
- Information available in public domain and databases subscribed by us; and
- Other relevant information and documents for the purpose of this engagement.

During the discussions with the Management, I have also obtained explanations, information and representations, which I believed were reasonably necessary and relevant for my exercise. Besides the above information and documents, there may be other information provided by the Companies which may not have been perused by me in any detail, if not considered relevant for the defined scope. The Clients have been provided with the opportunity to review the draft report (excluding the recommended fair share exchange ratio) as part of my standard practice to make sure that factual inaccuracy / omissions are avoided in my Report.

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PROCEDURES ADOPTED

In connection with this exercise, I have adopted the following procedures to carry out the valuation:

- Requested and received financial and operational information.
- Used data available in public domain related to the Companies and their peers.
- Discussions (physical / over call) with the Management to:
    - Understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis.
    - Enquire about the historical financial performance, current state of affairs, business plans, and the future performance estimates.
- Identification of suitable comparable companies in discussion with the Management.
    - Undertook Industry Analysis:
    - Research publicly available market data including economic factors and industry trends that may impact the valuation.
- Analysis of key trends and valuation multiples of comparable companies using proprietary databases subscribed by us.
- Obtained and analysed market prices, volume data and other relevant information for the Companies.
- Reviewed the financial projections provided by the Management for the PML including understanding basis of preparation and the underlying assumptions.
- Selection of appropriate internationally accepted valuation methodology/(ies), after deliberations and consideration to the sector in which the Transacting Companies operate and analysis of their business operations.
- Arrived at the equity value of the Transacting Companies in order to determine fair share exchange ratio for the Proposed Amalgamation.

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

This Report is subject to the limitations detailed in engagement letter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

This Report, its contents and the results herein are specific and subject to

- the purpose of valuation agreed as per the terms of my engagement;
- the date of this Report ("Report Date");
- Limited reviewed financial of PML for nine months period from April 01, 2024 to December 31, 2024 and Audited financial statements of NCPL for ten months period from April 01, 2024 to January 31, 2025;
- financial projections and underlying assumptions of PML as provided by the Management;
- accuracy of the information available in public domain with respect to the comparable companies identified including financial information;
- market price reflecting the fair value of the underlying equity shares of the Companies; and
- data detailed in the Section - Sources of Information.

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Valuation analysis and results are specific to the purpose of valuation and as per the agreed terms of the engagement. It may not be valid for any other purpose or as of any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to me as of, the date hereof. This Report is issued on the understanding that the Management has drawn my attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on my opinion, on the fair share exchange ratio for the Proposed Amalgamation. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and I do not assume any obligation to update, revise or reaffirm this Report.

The recommendation rendered in this Report only represent my recommendation based upon information furnished by the Companies and gathered from public domain (and analysis thereon) and the said recommendation shall be considered to be in the nature of non-binding advice. My recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

The decision to carry out the Proposed Amalgamation (including consideration thereof) lies entirely with the Management / Board of Directors of the respective Company and my work and findings shall not constitute recommendation as to whether or not the Management / the Board of Directors of the Company should carry out the Proposed Amalgamation.

The determination of fair value for arriving at fair share exchange ratio 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 fair value.

While I have provided my recommendation of the fair share exchange ratio based on the information available to me and within the scope and constraints of my engagement, others may have a different opinion. The final responsibility for the determination of the fair share exchange ratio at which the Proposed Amalgamation shall take place will be with the Audit Committee / Board of Directors of the Transacting Companies, who should consider other factors such as their own assessment of the Proposed Amalgamation and input of other advisors.

In the course of the valuation, I was provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of my engagement, I have carried out relevant analysis and evaluations through discussions, calculations and such other means, as may be applicable and available. I have assumed and relied upon, without independently verifying (i) the accuracy of the information that was publicly available, sourced from subscribed databases; and (ii) the accuracy of information made available to me by the Companies; both of which formed a substantial basis for this Report. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, I have obtained information, as far as possible, from sources generally considered to be reliable. I assume no responsibility for such information. My valuation does not constitute an audit or review in accordance with the auditing standards applicable in India, accounting / financial / commercial / legal / tax / environmental due diligence or forensic /

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investigation services and does not include verification or validation work. In accordance with the terms of my engagement / appointment letters and in accordance with the customary approach adopted in valuation exercises, I have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical financials / financial information or individual assets or liabilities, provided to me regarding the Companies / subsidiary / associates / joint ventures / investee companies, if any. Accordingly, I do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in such historical financials / financial statements. Also, with respect to explanations and information sought from the Companies, I have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with me in case of any doubt. My conclusion is based on the assumptions and information given by / on behalf of the Companies. The Management has indicated to me that they have understood that any omissions, inaccuracies or misstatements may materially affect my valuation analysis / results.

It may herein be noted that the projections are responsibility of the Management. My scope of work does not enable me to accept responsibility for the accuracy and completeness of the information provided to us. I have, therefore, not performed any audit, or examination of any of the historical or prospective information used and therefore, I do not express any opinion with regard to the same.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. This Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited balance sheets of the Companies. No investigation of Companies' claims to title of assets has been made for the purpose of this Report and Companies' 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. My conclusion of value assumes that the assets and liabilities of the Companies reflected in their respective latest balance sheets remain intact as of the Report Date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Clients are the only authorized user of this Report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the Clients from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. I do not take any responsibility for the unauthorized use of this report. In no event shall I be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the Clients or Companies, their directors, employees or agents. The Report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.

I accept no responsibility or any direct or indirect liability towards any third party including but not limited to any person, who may have been provided a copy of this Report for intended use in connection with the Scheme and hence, no party other than the Client shall have any recourse to me in relation to this engagement. In no event, I shall be liable for any loss, damage, cost or expense arising in any way from any acts carried out by the Companies referred herein or any person connected thereto.

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I have not carried out any physical verification of the assets and liabilities of the Transacting Companies and take no responsibility for the identification of such assets and liabilities.

Based on discussion with the Management and review of the Scheme, I would like to emphasize that the surplus assets (including cash & cash equivalents and other assets except investment in equity shares of PML) in the books of NCPL immediately prior to the implementation of the Scheme or otherwise will be utilized to meet the costs, levies, charges, expenses (including stamp duty payable, if any) in relation to or in connection with or incidental to the Proposed Scheme and its implementation. However, if the actual aforesaid costs exceeds the amount as estimated by the Management, such excess shall be borne directly by the Promoters of NCPL. Thus, PML shall not bear any expenses, pursuant to the Proposed Scheme and its value shall remain neutral to the current shareholders of PML and therefore their economic interest would not be adversely impacted. Accordingly, for the purpose of determining the equity value of NCPL, I have considered the estimated Scheme related expenses as provided by the Management.

Based on discussion with the Management and review of terms of RPS, I understand that these RPS having face value of INR 100 each are paid up to the extent of INR 16/- each. Further, I understand that these RPS are non-convertible and would be redeemable on or before the expiry of 20 years from the date of allotment either at the option of holders or the Company. Given that these RPS are redeemable anytime during its tenure and the fact that they are partly paid up to the extent of INR 16/- per RPS, I have considered the partly paid amount of INR 16/- per RPS of NCPL and the Preferential Issue Price of equity share of PML for arriving at the fair share exchange ratio for the preference shareholders.

This Report does not look into the business / commercial reasons behind the Proposed Amalgamation nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the Proposed Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of fair share exchange ratio for the Proposed Amalgamation only.

I must emphasize that realization of forecasted free cash flow or the realizability of the assets at the values considered in my analysis will be dependent on the continuing validity of assumptions on which they are based. My analysis, therefore, will not, and cannot be directed to providing any assurance about the achievability of the final projections. Since the financial forecasts relate to the future, actual results are likely to be different from the projected results because events and circumstances do not occur as expected, and the differences could be material. To the extent that my conclusions are based on the forecasts, I express no opinion on achievability of those forecasts. The fact that I have considered the projections in this valuation exercise should not be construed or taken as my being associated with or a party to such projections.

The valuation analysis and results thereof for recommendation under this Report are governed by concept of materiality.

The fee for the engagement is not contingent upon the results reported.

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I will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall I be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the Companies, their directors, employees or agents.

It is understood that this analysis does not represent a fairness opinion. This report is not a substitute for the third party's own due diligence / appraisal / enquiries / independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the fair share exchange ratio for the Proposed Amalgamation and relevant filings with regulatory authorities in this regard, without my prior written consent.

In addition, this Report does not in any manner address the price at which equity share of PML shall trade following announcement of the Proposed Amalgamation and I express no opinion or recommendation as to how the shareholders of either of the Companies should vote at any shareholders' meeting(s) to be held in connection with the Proposed Amalgamation. My report and opinion / valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

I will owe the responsibility only to the Board of Directors of PML and NCPL.

Disclosure of Registered Valuers' Interest or Conflict, if any and other affirmative statements

I do not have any financial interest in the Clients, nor do I have any conflict of interest in carrying out this valuation, as of the date of the engagement letter till the Report Date. I further state that I am not related to the Company or their promoters or their directors or their relatives. Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation.

VALUATION APPROACHES AND METHODOLOGIES

Bases and Premise of Valuation

Valuation of the equity shares of the Companies as on the Valuation Date is carried out in accordance with International Valuation Standards, considering 'relative value' base and 'going concern value' premise. Any change in the valuation base, or the valuation premise could have a significant impact on the valuation outcome of the Companies.

The following are commonly used and accepted methods for determining the value of the equity shares of a company:

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1. Cost Approach – Net Asset Value method
2. Market Approach:
   a) Market Price method
   b) Comparable Companies Multiple method
3. Income Approach – Discounted Cash Flow method

Each of the aforesaid approaches proceeds on different fundamental assumptions which have greater or lesser relevance and at times even no relevance, to a given situation. Thus, the approach to be adopted for a particular valuation exercise must be judiciously chosen.

For the Proposed Amalgamation, I have considered the following commonly used and accepted methods for determining the value of equity shares of the Transacting Companies for the purpose of recommending fair share exchange ratio to the extent relevant and applicable:

1. Cost Approach - Net Asset Value Method ('NAV')

The Cost Approach reflects the amount that would be required currently to replace the service capacity of an asset; often referred to as current replacement cost.

PML and NCPL

In the present case, the business of PML is intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets. Further, NAV Method does not value the future profit earning potential of the business, I have therefore not used NAV Method under Cost Approach to determine the equity value of PML.

NCPL is engaged in the business of (i) trading in steel metals and (ii) trading and investing in quoted and unquoted securities. Basis discussion with the Management and the nature of trading business undertaken by NCPL, I understand that NCPL derives major of its value from the investments held by it and have therefore used NAV Method under Cost Approach to determine the equity value of the NCPL.

2. Market Approach

a) Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

PML and NCPL

In the present case, the equity shares of PML are listed on BSE. The equity shares of PML are frequently traded. The value of equity shares of PML under this method is determined considering the share prices of PML over an appropriate period.

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The equity shares of NCPL are not listed on any stock exchanges and therefore this method has not been adopted in case of NCPL.

b) Comparable Companies' Multiple (CCM) / Comparable Transactions Multiples (CTM) Method

Under CCM method, the value of equity shares of companies is determined by using multiples derived from valuations of comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully.

PML and NCPL

Based on my analysis and discussion with the Management, I understand that there are comparable listed companies which operate in similar line of business and have similar operating/ financial metrics as that of PML, I have therefore used CCM Method under Market Approach to determine the equity value of PML.

Based on my analysis and discussion with the Management, I understand that there are no direct comparable listed companies having similar operating/ financial metrics as that of the NCPL, I have therefore not used CCM Method under Market Approach to determine the equity value of NCPL.

Under CTM, the value of shares / business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

PML and NCPL

Based on my analysis and discussion with the Management, I understand that there are no recent comparable transactions, data of which is available in public domain, involving companies of similar nature and having a similar operating/ financial metrics as that of PML and NCPL, I have therefore not used CTM method to determine the equity value of PML and NCPL.

3. Income Approach - Discounted Cash Flows Method ('DCF')

Under DCF method, the projected free cash flows from business operations, after considering fund requirements for projected capital expenditure and incremental working capital, are discounted at the Weighted Average Cost of Capital (WACC). The sum of the discounted value of such free cash flows and discounted value of perpetuity is the value of the business.

The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are determined by adding back to earnings before interest and

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tax (i) depreciation and amortizations (non-cash charge), and (ii) any non-operating item. The cash flow is adjusted for outflows on account of (i) capital expenditure, (ii) incremental working capital requirements and (iii) tax.

WACC is considered as the most appropriate discount rate in the DCF Method, since it reflects both the business and the financial risk of the company. In other words, WACC is the weighted average of cost of equity and cost of debt of the respective Companies.

To the value so arrived, appropriate adjustments have been made for loan funds, cash and cash equivalents value of surplus assets and liabilities and value of contingent liabilities, to arrive at the equity value.

Given the nature of business undertaken by PML and the fact that I have been provided with the projected financials of PML, I have considered it appropriate to apply the DCF Method under Income Approach to determine the equity value of PML.

Basis discussion with the Management and the nature of trading business undertaken by NCPL, I understand that NCPL derives major of its value from the investment held by it and have therefore not considered it appropriate to use DCF Method under Income Approach to determine the equity value of NCPL.

BASIS FOR RECOMMENDATION OF FAIR SHARE EXCHANGE RATIO

Recommendation of equity share exchange ratio for the proposed amalgamation of NCPL with PML

The fair basis of the amalgamation of NCPL with PML would have to be determined after taking into consideration all the factors and methods mentioned hereinafter. Though different values have been arrived at under each of the approaches / methods, for the purpose of recommending the fair share exchange ratio of equity shares it is necessary to arrive at a final value for each Transacting Company. It is however important to note that in doing so, I am not attempting to arrive at the absolute equity values of the Transacting Companies, but at their relative values to facilitate the determination of the fair share exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approaches / methods.

Refer Annexure I for value per share under different method prescribed and fair share exchange ratio.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above including scope, limitations and assumptions described in this report and the engagement letter, I recommend the fair share exchange ratio as follows:

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To the equity shareholders of NCPL

*"**19,007 (Nineteen Thousand and Seven)** equity share of PML having a face value of INR 10 each fully paid-up shall be issued **for every 300 (Three Hundred)** equity shares held in NCPL having face value of INR 10 each fully paid-up".*

To the preference shareholders of NCPL

*"**1 (One)** equity share of PML having a face value of INR 10 each fully paid-up shall be issued **for every 17 (Seventeen)** preference shares held in NCPL having face value of INR 100 each, paid-up to the extent of INR 16/- each".*

Thanking You,

Yours faithfully,

SHREYANSH JAIN Securities & Financial Assets Registered Valuer IBBI/RV/03/2019/12124

Shreyansh M. Jain

IBBI Registered Valuer No. IBBI/RV/03/2019/12124

Place: Surat

Date: March 03, 2025

Annexure I

A. The summary of fair share exchange ratio for equity shareholders is as follows:

Approach	PML		NCPL	
	Value per equity share (INR)	**Weight**	**Value per equity share (INR)**	**Weight**
Cost/Asset Approach – Net Asset Value Method (i)	NA	0%	17,228.13	100%
Income Approach – Discounted Cash Flow Method (ii)	263.04	50%	NA	0%
Market Approach – Comparable Companies Method (EV/EBITDA) (iii)	261.91	25%	NA	0%
Market Approach – Market Price Method (iii) **(A) (Refer Note – 1)**	271.92	25%	NA	0%
Value per Share (Weighted Average of (i), (ii) and (iii) **(B)**	**264.98**		**17,228.13**	
Price considered for recommendation of SWAP Ratio (Higher of A and B) (Refer Note – 1)	**271.92**		**17,228.13**	
Fair Share Exchange Ratio (Rounded)	**19,007:300**			

NA= Not Applicable/Not Adopted

Note:

1. As per Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 dated 20 June 2023 issued by Securities and Exchange Board of India ('SEBI Master Circular'), the issuance of shares of listed company under schemes in case of allotment of shares only to a select group of shareholders or shareholders of unlisted companies pursuant to such schemes shall follow the pricing provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time. Further, the 'relevant date' for the purpose of computing pricing shall be the date of the board meeting in which the scheme is approved.

   As per regulation 164(1) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to as the 'SEBI ICDR Regulations'), if the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares ('Preferential Issue Price') to be allotted pursuant to the preferential issue shall be not less than higher of the following:

   a) the 90 trading days' volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date; or
   b) the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognized stock exchange preceding the relevant date.

Based on above, the value of equity shares of PML to be allotted pursuant to amalgamation cannot be lower than the Preferential Issue Price of equity shares of PML i.e. higher of 90 trading days' volume weighted average price ('VWAP') and 10 trading days' VWAP.

Weighted average value of equity shares of PML using Income Approach and Market Approach, as presented in the table below, is lower than the Preferential Issue Price of equity shares of PML. Hence, I have arrived at the fair share exchange ratio for the Proposed Amalgamation of NCPL with PML considering the Preferential Issue Price of equity shares of PML.

B. The summary of fair share exchange ratio for preference shareholders is as follows:

Name of Company	Transferor / Transferee Company	Value per equity share (INR)	Value per RPS (INR)	Recommended share exchange ratio
PML	Transferee Company	271.92 /- (Refer Note – 1)	NA	1:17
NCPL	Transferor Company	NA	16/- (Refer Note – 2)	

NA= Not Applicable/Not Adopted

Note:

2. Based on discussion with the Management and review of terms of RPS, I understand that these RPS having face value of INR 100 each are paid up to the extent of INR 16/- each. Further, I understand that these RPS are non-convertible and would be redeemable on or before the expiry of 20 years from the date of allotment either at the option of holders or the Company. Given that these RPS are redeemable anytime during its tenure and the fact that they are partly paid up to the extent of INR 16/- per RPS, I have considered the partly paid amount of INR 16/- per RPS of NCPL and the Preferential Issue Price of equity share of PML for arriving at the fair share exchange ratio for the preference shareholders.

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