



GG ENGINEERING LTD.

An ISO 9001: 2015 Certified Company
CIN: L28900MH2006PLC159174

Dated: September 15, 2023

**ADDENDUM TO THE NOTICE OF 17TH ANNUAL GENERAL MEETING TO BE HELD ON
FRIDAY, SEPTEMBER 29, 2023**

To,
The Members of G G Engineering Limited

G G Engineering Limited ("Company") has dispatched electronically, on September 05, 2023, Notice of Annual General Meeting dated September 02, 2023 together with Explanatory Statement to the members of the Company, scheduled to be held on Friday, September 29, 2023, at 11:30 A.M. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), pursuant to the applicable provisions of the Companies Act, 2013 ("Companies Act"), read with applicable rules of the Companies (Management and Administration) Rules, 2014 ("Rules"), (including any statutory modification or re-enactment thereof, for the time being in force), Secretarial Standard on General Meetings ("SS-2"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and other applicable laws and regulations.

This addendum is being issued to the AGM Notice ("Addendum") in respect of the valuation report dated September 02, 2023 obtained from Mr. Angad Singh, Registered Valuers ("Valuation Report"), which is referenced in the point number IV(b) of the Explanatory Statement of Special Resolution pertaining to Item No. 3 as detailed in the said Notice.

In respect of the aforesaid subject matter, the Members are requested to take note that pursuant to the clarification sought by BSE Limited (BSE), the Company has obtained an addendum (dated September 14, 2023) to the Valuation Report, which *inter-alia* sets out the **elaboration about valuation methodology, approach and procedures adopted in carrying out the valuation**. A copy of which is enclosed herewith for your reference and will be placed on the website of the company i.e. www.ggelimited.com.

It may be please note that the issue price of the securities will remains unchanged and the computation remains same as furnished in the said valuation report.

This Addendum to the Notice of AGM shall form an integral part of the said Notice, which has already been circulated to the Shareholders of the Company, and on and from the date hereof, the Notice of AGM shall always be read in conjunction with this Addendum. Accordingly, all concerned shareholders, Stock Exchanges, Depositories, Registrar and Share Transfer Agent, agencies appointed for e-voting, other Authorities, regulators, and all other concerned persons are requested to take note of the above changes. All other contents of the Notice of AGM shall remain unchanged.

Reg. Off : Off No. 203, 2nd Floor, Shivam Chambers Coop Soc Ltd., S.V Road, Goregaon West, Mumbai, Maharashtra-400104

Corporate Office: Office No. 306, 3rd Floor, Shivam House, Karam Pura Commercial Complex, New Delhi - 110015
Landline No : 011-46572242 | **E-mail :** info@ggelimited.com



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This addendum is being uploaded on the website of the Company at www.ggelimited.com and on the website of BSE Ltd. at www.bseindia.com where the shares of the Company are listed.

Thanking You,

Yours faithfully,
for G G Engineering Limited

Atul Sharma
Managing Director
DIN: 08290588

ANGAD SINGH

Registered Valuer – Securities or Financial Assets
FCA, IBBI Reg. Valuer

4746, Sector 125, New Sunny Enclave,
Mohali – 140301, PB
IBBI/RV/03/2021/14261
#+91-7652980117

Date: 14th September 2023

To,

The Board of Directors

G G ENGINEERING LIMITED

Office No. 203, 2nd Floor, Shivam Chambers Coop Soc Ltd.,

S.V Road, Goregaon West, Near Sahara Apartment,

Mumbai Maharashtra 400104 India

Dear Sir/Ma'am,

Sub: Addendum to Valuation Report dated 02nd September, 2023 in respect of description about valuation methodology, approach and procedures adopted in carrying out the valuation

This is with reference to the Valuation Report dated 02nd September, 2023, issued by me for determination of Floor Price of equity shares of the Company as per the provisions of Regulation 164 & 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with Rules & Regulations as amended from time to time.

Pursuant to the clarification sought by BSE Limited (BSE), I have been requested, for issuance of addendum to the above-mentioned valuation report regarding description of valuation methodology, approach and procedures adopted in carrying out the valuation.

In this regard we wish to submit before your good office that on the bottom of Page 9 of our signed valuation report, we have mentioned about "valuation methodology, approach and procedures adopted." To have a better understanding, the valuation methodology is hereby elaborated further.

VALUATION METHODOLOGY, APPROACH AND PROCEDURES ADOPTED

The standard of value used in the analysis is "Fair Market Value", which is often defined as the price, in terms of cash or equivalent, that a buyer could reasonably be expected to pay, and a seller could reasonably be expected to accept, if the business were exposed for sale on the open market for a reasonable period of time, with both buyer and seller being in possession of the pertinent facts and neither being under any compulsion to act.

Valuation of a business is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be prepared to pay substantial goodwill. This exercise may be carried out using various methodologies, the relative emphasis of each often varying with:

- whether the entity is listed on a stock exchange;
- industry to which the Company belongs;
- past track record of the business and the ease with which the growth rate in cash flows to perpetuity can be estimated;
- Extent to which industry and comparable company information are available.

ANGAD SINGH
REGISTERED VALUER
(Securities or Financial Assets)
IBBI/RV/03/2021/14261

Strictly Private and Confidential

i. Cost Approach:

The value arrived at under this approach is based on the audited financial statements of the Company and may be defined as Shareholders' Funds or Net Assets owned by the Company.

The balance sheet values are adjusted for any contingent liabilities that are likely to materialize. As per IVS 105, the cost approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/ or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value.

When using the cost approach under the following circumstances, a valuer should consider whether any other approaches can be applied and weighted to corroborate the value indication from the cost approach:

- a. Participants might consider recreating an asset of similar utility, but there are potential legal or regulatory hurdles or significant time involved in recreating the asset,
- b. When the cost approach is being used as a reasonableness check to other approaches (for example, using the cost approach to confirm whether a business valued as a going concern might be more valuable on a liquidation basis), and/or
- c. The asset was recently created, such that there is a high degree of reliability in the assumptions used in the cost approach.

I understand that the business of the company has the major portion of assets invested in Non-Current Investments and Trade Receivables. Accordingly, the current NAV would be appropriate to consider the true business value of the company. Hence, keeping the context and purpose of the report in mind, I have used this as one of the method in the Analysis. As enclosed in Annexure III

ii. Market Approach:

The market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available.

The market approach should be applied and afforded significant weight under the following circumstances:

- a) The subject asset has recently been sold in a transaction appropriate for consideration under the

basis of value,

- b) The subject asset or substantially similar assets are actively publicly traded, and/or
- c) There are frequent and/or recent observable transactions in substantially similar assets.

I have taken a method as prescribed under Regulation 164 of SEBI (ICDR), 2018. Thus we've taken this approach as well. Please find Annexure II for your kind reference

iii. Income Approach:

The income approach provides an indication of value by converting future cash flow to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset.

The income approach should be applied and afforded significant weight under the following circumstances:

- a. The income-producing ability of the asset is the critical element affecting value from a participant perspective, and/or
- b. Reasonable projections of the amount and timing of future income are available for the subject asset, but there are few, if any, relevant market comparable.

I've taken income approach as well where I have assumed Cost of Equity around 18.55% considering beta of the company around 0.72, Rf of 7.18% and Market Return of 14.64%. Please refer Annexure A as attached.

CONCLUSION

We have considered all three methodologies for finding out the fair value of the business, as per the context and purpose of issued report. Adequate weights were assigned to the methods to find out the fair value of equity of the company. Thus, calculation of weighted average of all three methods is applied to find out the Fair value as given in Annexure I.

Please note the fair value of equity shares of the company remains unchanged and the computation remains same as furnished in the said valuation report.

Yours faithfully,

ANGAD SINGH
REGISTERED VALUER
(Securities or Financial Assets)
IBBI/RV/03/2021/14261

ANGAD SINGH

Registered Valuer (SFA)

IBBI/RV/03/2021/14261

Date: 14th September 2023

Place: Mohali

ANNEXURE – I

VALUATION OF EQUITY SHARES OF GG ENGINEERING LIMITED		
Amount (In Lakhs) Unless Oterwise Stated		
COST APPROACH - NAV METHOD		
Date (Latest Available)	31.03.2023	Details
NAV based Equity Value (Rs. Lakhs)	As per Annexure III	7,279.19
No. of Equity Shares	Nos	380,678,585
NAV based Equity Value per Share	Rs. Per Share	1.91

INCOME APPROACH - PROFIT EARNING CAPACITY VALUE (PECV)			
Year Ended:	Weights ^{^^}	PAT	Details
30th June 2023	2.25	33.88	76.23
31st March 2023	2.00	792.83	1,585.66
31st March 2022	1.00	(23.92)	(23.92)
Average Profit After Tax	Rs. Lakhs		1,637.97
No. of Equity Shares	Nos		380,678,585
Average Earning per Share	Rs.		0.43
Capitalisation rate of Industry**		18.55%	
PECV based Equity Value per Share	Rs.		2.32
<i>** Source: Capitalization Rate is assumed as Cost of Equity for companies in as per Annexure A. This is usually the rate expected by investors on Equity.</i>			
<i>^^ Weights are assigned in ascending order with lowest PAT being 1 and highest PAT being 2.25.</i>			

MARKET APPROACH - REGULATION 164 - SEBI (ICDR) - Refer Annexure II			
For the year ended on:		Share Price	Details
90 Days VWAP		1.29	
10 Days VWAP		1.20	
Fair Value			1.29
Equity Price per Share	Rs.		1.29
<i>Formula for Calculation of Shares is given as in Regulation 164 (1) of SEBI ICDR.</i>			

FAIR VALUE OF SHARE			
Methods:	Weights	Amount	Product
Cost Approach	1.00	1.91	1.91
Income Approach	1.00	2.32	2.32
Market Approach	98.00	1.29	126.31
Final Value per Equity Share	Rs.		1.31
Fair Value per Equity Share	Rs.		1.31
<i>Weights are assigned in manner of importance. Most value is given to market approach as market is the right determinant for this listed company. Also, minimal weight has been given to cost & income approach considering the true and fair to determine the fair value of the company.</i>			

ANGAD SINGH
 REGISTERED VALUER
 (Securities or Financial Assets)
 IBB/KV/03/2021/14261

ANNEXURE II

VALUATION ANALYSIS - PRICING OF FREQUENTLY TRADED SHARES FOR 90 DAYS

Days	Date	No.of Shares	VWAP
1	29-Aug-23	2783420	3451440
2	28-Aug-23	4892258	6164245
3	25-Aug-23	5544631	7097127
4	24-Aug-23	26929193	35203695
5	23-Aug-23	59637941	80348270
6	22-Aug-23	16321144	21863518
7	21-Aug-23	20301283	25897638
8	18-Aug-23	36103084	43797838
9	17-Aug-23	30002693	34751608
10	16-Aug-23	426083983	498145828
11	14-Aug-23	300999325	425972988
12	11-Aug-23	215771944	305467028
13	10-Aug-23	130591286	157808774
14	09-Aug-23	199304825	316802936
15	08-Aug-23	109949570	154103760
16	07-Aug-23	18478721	21450935
17	04-Aug-23	7322687	7927590
18	03-Aug-23	8596671	9319070
19	02-Aug-23	8442631	9436225
20	01-Aug-23	10540787	12125638
21	31-Jul-23	16999123	20804907
22	28-Jul-23	15646317	18908690
23	27-Jul-23	13507063	15784687
24	26-Jul-23	8827597	10362725
25	25-Jul-23	9866800	11533847
26	24-Jul-23	15902306	18220075
27	21-Jul-23	16491682	18755659
28	20-Jul-23	14414854	17041186
29	19-Jul-23	10573598	12621435
30	18-Jul-23	8911745	10936187

Days	Date	No.of Shares	VWAP
31	17-Jul-23	13400860	16066167
32	14-Jul-23	11736730	14389104
33	13-Jul-23	4922333	5844182
34	12-Jul-23	5612822	6661713
35	11-Jul-23	14846014	17910600
36	10-Jul-23	9293674	10850699
37	07-Jul-23	9848492	11516943
38	06-Jul-23	9110881	11422639
39	05-Jul-23	7664465	9839070
40	04-Jul-23	10747877	13900188
41	03-Jul-23	15839296	20862795
42	30-Jun-23	10873910	12884437
43	28-Jun-23	5735129	6187487
44	27-Jun-23	2480955	2524524
45	26-Jun-23	1203626	1203970
46	23-Jun-23	1626190	1624615
47	22-Jun-23	1589218	1594300
48	21-Jun-23	968763	972623
49	20-Jun-23	2226846	2225292
50	19-Jun-23	1244650	1249196
51	16-Jun-23	2547316	2562784
52	15-Jun-23	1869414	1893276
53	14-Jun-23	1518406	1541026
54	13-Jun-23	1531970	1558134
55	12-Jun-23	1263856	1292966
56	09-Jun-23	1484818	1524872
57	08-Jun-23	2130365	2173444
58	07-Jun-23	1960091	1974897
59	06-Jun-23	1724727	1735249
60	05-Jun-23	2271431	2313255

Days	Date	No.of Shares	VWAP
61	02-Jun-23	2933819	2931547
62	01-Jun-23	2246178	2254253
63	31-May-23	1999757	2027740
64	30-May-23	4170296	4396685
65	29-May-23	2941267	3037805
66	26-May-23	1539315	1512985
67	25-May-23	1599555	1589076
68	24-May-23	1698806	1704052
69	23-May-23	1720716	1731303
70	22-May-23	1716338	1729097
71	19-May-23	1575778	1601723
72	18-May-23	1392135	1406033
73	17-May-23	1871629	1904908
74	16-May-23	2861316	2942323
75	15-May-23	1507702	1525330
76	12-May-23	1914559	1928299
77	11-May-23	2452917	2471582
78	10-May-23	2102434	2099879
79	09-May-23	2248260	2261728
80	08-May-23	2573352	2602798
81	05-May-23	8052785	8230610
82	04-May-23	18295363	19653669
83	03-May-23	9033952	10131315
84	02-May-23	3574496	3767724
85	28-Apr-23	2431546	2503581
86	27-Apr-23	2790659	2853370
87	26-Apr-23	1826841	1863015
88	25-Apr-23	18879497	19605323
89	24-Apr-23	4726608	5165564
90	21-Apr-23	32650730	35839289

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VALUATION ANALYSIS - PRICING OF FREQUENTLY TRADED SHARES FOR 10 DAYS

Days	Date	No.of Shares	VWAP
1	29-Aug-23	2783420	3451440
2	28-Aug-23	4892258	6164245
3	25-Aug-23	5544631	7097127
4	24-Aug-23	26929193	35203695
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6	22-Aug-23	16321144	21863518
7	21-Aug-23	20301283	25897638
8	18-Aug-23	36103084	43797838
9	17-Aug-23	30002693	34751608
10	16-Aug-23	426083983	498145828

Calculation of Fair Value as per Regulation 164 (1)

90 Days VWAP	1.29
10 Days VWAP	1.20
Final Value	1.29

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REGISTERED VALUER
(Securities or Financial Assets)
IBBI/RN/03/2021/14261

Annexure III

NET ASSET VALUE ANALYSIS		
GG ENGINEERING LIMITED		
31st March 2023		
Method 1	Amount	Amount
Non Current Assets		2,842.24
Fixed Assets	40.74	
Other Intangible Assets	-	
Investments	2,711.04	
Loans & Advances (Non Current)	20.00	
Other Non Current Assets	62.19	
Deferred Tax Assets	8.27	
Current Assets		8,851.30
Loans & Advances (Current)	101.13	
Cash And Cash Equivalent	175.14	
Trade Receivables	8,538.38	
Other Current Assets	36.65	
Total Value of Assets (A)		11,693.54
Non Current Liabilities		121.70
Borrowings	121.70	
Other Non Current Liabilities	-	
Current Liabilities		4,292.66
Loans (Liability)	50.62	
Other Current Liabilities	3,993.33	
Short Term Provisions	248.71	
Total Book Value of Liabilities (B)		4,414.36
Preference Share Capital (C.)		-
Net Asset Value (D=A-B-C) Before Discount		7,279.18
Discount (Holding Company) (E.)	0.00%	-
Final Net Asset Value (E-D)		7,279.18
Number of Equity Shares Outstanding		380,678,585
Equity Value Per Share (In Rs)		1.91
METHOD 2		
Net Worth (F)		7,279.19
Paid Up Share Capital	3,806.79	
Reserves & Surplus	3,472.40	
Number of Equity Shares Outstanding		380,678,585
Equity Value Per Share (In Rs)		1.91

ANGAD SINGH
 REGISTERED VALUER
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Annexure A

R_F	7.18%	Gsec 10 Year - 29.08.2022
R_M	14.64%	CAGR on Nifty 500 since 29.08.2003 till 29.08.2023
Market Equity Risk Premium	7.46%	$R_m - R_f$
β	0.72	Damodaran Useful Data Set – Beta India for unlevered beta corrected for cash for Real Estate (Development) Sector published as on 5th January 2023
Company Risk Premium	6.00%	CRP is company specific
R_e	18.55%	Formula CAPM

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