

**VALUATION REPORT  
FOR PREFERENTIAL ALLOTMENT  
OF EQUITY SHARES AND FULLY  
CONVERTIBLE EQUITY WARRANTS OF  
HI-TECH PIPES LIMITED**

.....

**As per Regulation 166A of the Securities and Exchange Board of India  
(Issue of Capital and Disclosure Requirements) Regulations, 2018**

To,  
**The Audit Committee/ Board of Directors**  
**Hi-Tech Pipes Limited**  
505, Pearl Omaxe Tower,  
Netaji Subhash Place, Pitampura,  
New Delhi 110034, India

**Dear Sir,**

**Sub: Fair Market Value of Equity Shares for the preferential allotment of “equity shares and fully convertible equity warrants” (Securities) of Hi-Tech Pipes Limited**

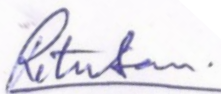
We refer to our appointment letter dated 14<sup>th</sup> November, 2022 for the determination of the Fair Market Value of Equity Shares for the preferential allotment of “Equity Shares and Fully Convertible Equity Warrants” (Securities) of Hi-Tech Pipes Limited (HTPL/Company) in accordance with the provisions of regulation 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with Regulation 164 of these Regulations.

In accordance with the terms of our engagement, we are enclosing our Valuation Report along with this letter. In the attached report, we have summarized the Fair Market Value of Equity Shares of the Company as on 24<sup>th</sup> November 2022, together with the description of methodologies used and limitations on our Scope of Work.

This Valuation Report is confidential and has been prepared exclusively for the purpose stated herein and for the management of the Company. It should not be used for any other purpose neither reproduced or circulated to any other person, in whole or in part, without our prior consent. We are however aware that the conclusion in this report may be used for the purpose of Board and shareholders approvals and for certain statutory disclosures with the Stock Exchanges and we provide our consent for the same.

Yours Faithfully,

**For Ritu Sarin**



**Registered Valuer (IBBI)**

**IBBI Registration No. IBBI/RV/05/2020/13063**

**UDIN: 22408680BEBIFF2879**

**Date: 25<sup>th</sup> November 2022**

**OFFICE: 1703A, 24th FLOOR, LOGIX OFFICE TOWER, SECTOR -32, NOIDA**

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**SECTION I**  
**DETERMINATION OF FAIR MARKET VALUE OF EQUITY SHARES**

**a. PURPOSE OF VALUATION AND APPOINTING AUTHORITY**

Based on the discussions held with the management, we understand that this valuation shall assist in the determination of the fair market value of equity shares of the company for allotment of equity shares and fully convertible equity warrants” (Securities) on preferential basis in accordance with the provisions of regulation 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with Regulation 164 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018.

Regulation 166A requires Valuation of Equity Shares from an Independent Registered Valuer which needs to be considered for determining the price of such Preferential Issue. Accordingly we have been appointed by the Audit Committee as a Registered Valuer for determination of the fair market value of equity shares of the company to meet the pricing guidelines of SEBI and Companies Act, 2013.

**b. IDENTITY OF CLIENT AND OTHER INTENDED USERS**

**Hi-Tech Pipe Limited**  
CIN: L27202DL1985PLC019750  
505, Pearl Omaxe Tower,  
Netaji Subhash Place, Pitampura,  
New Delhi 110034, India

**c. IDENTITY OF VALUER AND OTHER EXPERTS**

**CA. Ritu Sarin**  
Registered Valuer (IBBI)  
IBBI Valuer Registration No. IBBI/RV/05/2020/13063

**d. BACKGROUND INFORMATION**

**Hi-Tech Pipes Limited (“HTPL”)**

Hi-Tech Pipes Limited [(CIN): L27202DL1985PLC019750] is a public listed company, which was incorporated on January 2, 1985. The registered office of the Company is currently situated at 505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi 110034.

The Company is in the business of manufacturing of ERW Steel Round & Section Pipes, cold Rolled Strips & Engineering Products and distribution of the same across India. The equity shares of the Company are listed and traded on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

**TERMS OF FULLY CONVERTIBLE EQUITY WARRANTS**

Each warrant is convertible into 1 Ordinary Equity Share and the conversion can be exercised at any time within a period of 18 months from the date of allotment, in one or more tranches, as the case may be and on such other terms and condition as applicable.

An amount equivalent to 25% of the warrant price shall be payable at the time of subscription and allotment of each warrant and the balance of 75% of the warrant price shall be payable by the warrant holder against each warrant at the time of allotment of ordinary equity shares pursuant to exercise of the options attached to warrant(s) to subscribe the ordinary equity share(s).



## **SCOPE OF WORK**

- **Date of Appointment- 14<sup>th</sup> November 2022**
- **Valuation Date-24<sup>th</sup> November 2022**
- **Relevant Date- 25<sup>th</sup> November 2022**
- **Date of Report- 25<sup>th</sup> November 2022**
- **Base of value- Fair Market Value**
- **Valuation Currency- INR**

## **e. PROCEDURES ADOPTED AND VALUATION STANDARDS FOLLOWED**

The scope of this report is to determine the Fair Market Value of the equity shares of the company as on Valuation Date using internationally accepted valuation methodologies and report on the same in accordance with generally accepted professional standards including ICAI valuation standards, 2018 notified by the Institute of Chartered Accountants of India (ICAI) and requirements prescribed by the regulations applicable to listed companies as prescribed by the Securities Exchange Board of India ("SEBI") and Companies Act, 2013.

## **f. NATURE AND SOURCES OF INFORMATION USED OR RELIED UPON**

To arrive at Fair Equity Share Exchange Ratio; we have relied upon:

- Audited financial statements of HTPL for the year ended 31st March 2022 (*Refer Annexure #1*)
- Unaudited limited reviewed consolidated profitability statements of HTPL for the trailing 12 months (TTM) period 1<sup>st</sup> Oct 2021 to 30<sup>th</sup> Sep 2022 and consolidated Balance Sheet of HTPL as on 30<sup>th</sup> September 2022
- Total Traded Quantity and Turnover data from the National Stock Exchange ("NSE") for computing the 90 trading days volume weighted average price (VWAP) and 10 trading days volume weighted average price (VWAP) preceding the Relevant date
- SEBI Preferential Allotment pricing guidelines as per ICDR Regulations, 2018
- Capitaline Database
- Public documents available on external sources such as stock exchanges
- Other Information and Management representations for the purpose of this engagement

## **g. EXTENT OF INVESTIGATION UNDERTAKEN**

We have taken due care in performing valuation procedures and have also applied appropriate discount rates considering the nature and size of the business / companies and marketability of their equity shares. However, we would like to expressly state that though we have reviewed the financial data for the limited purpose of valuation assessment but we have not performed an Audit/Due Diligence and have relied upon the historical financial statements of the company as prepared and submitted to us by the management of the company. The management has represented to us that it has been taken due care in preparation of such financial statements.



## **h. LIMITATION OF REPORT**

### **The Valuation exercise was carried out under the following limitations:**

- This report is subject to limitations detailed in respective engagement letters. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- Provision of valuation of opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, due diligence, consulting or tax related services that may otherwise be provided by us or any affiliates.
- The recommendation contained herein is not intended to represent value at any time other than valuation date. We have no obligation to update this report.
- Valuation analysis and results are specific to the purpose of valuation and as per agreed terms of the respective engagements. 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 us as of the date hereof. The report is issued on the understanding that the management has drawn out 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 our opinion on the Fair Market Value of Equity Shares for the preferential issue. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.
- The COVID-19 ("Covid") and other force majeure events like the events of war represent potentially significant impacts upon larger economic activity and certain businesses. At the Valuation Date, the Covid crisis and certain events of war are still ongoing and its future impact was not capable of being qualitatively or quantitatively assessed on Valuation Subjects at this time.
- We have not carried out any physical verification of the assets and liabilities of the Valuation Subjects and take no responsibility for the identification of such assets and liabilities
- The valuation analysis and results are governed by the concept of materiality.
- Our Valuation & Analysis and the conclusions drawn therefrom are further based on a number of factors which are largely dependent upon the prevailing business and Industry conditions as on the Valuation date and explanations provided by the Management. We presume that the Board of the Company have taken reasonable care to ensure that all relevant information which could have an impact over the Valuation has been duly disclosed & made available to us.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted herein, which might be relevant in the context of the transaction and which a wider scope might uncover.
- The valuation is based on various assumptions made by the company and its management relating to the operation of their business and representation made by them. Any change in these assumptions could have an impact on the valuation.



- The draft of the present report was circulated to the Management for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.
- The decision to carry out the transaction (including consideration thereof) lies entirely with the management and shareholders and our work and our finding shall not constitute a recommendation as to whether or not the parties should carry out the same.



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**SECTION II**  
**COMPANY ASSESSMENT**

**Hi-Tech Pipes Limited (“HTPL”)**

Hi-Tech Pipes Limited [(CIN): L27202DL1985PLC019750] is a public company, which was incorporated on January 2, 1985. The registered office of the Company is currently situated at 505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi 110034. The equity shares of the company are listed and traded on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

**HTPL** is engaged in the manufacturing of steel tubes and pipes, cold rolled products and various engineering products, such as metal crash barriers and structures. The company has five manufacturing units in India with a capacity of 5,80,000 metric tonne per annum (MTPA), located in Uttar Pradesh, Gujarat, Andhra Pradesh and Maharashtra

**Shareholding pattern of HTPL as on 30th September, 2022 is as follows-**

<b>Category of Shareholder</b>	<b>Number of Equity Shares</b>	<b>% Holding</b>
(A) Promoter & Promoter Group	72,79,443	59.32%
(B) Public	49,91,657	40.68%
<b>Total</b>	<b>1,22,71,100</b>	<b>100.00%</b>



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**SECTION III**  
**VALUATION ANALYSIS & WORKINGS**

**Extracts of Pricing provisions of Chapter V – Preferential Issue, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**

**Regulation 166A. (1)** Any preferential issue, which may result in a change in control or allotment of more than five per cent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price:

*Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be, or the price determined under the valuation report from the independent registered valuer or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable:*

*Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso:*

**Pricing of frequently traded shares**

**Regulation 164. (1)** 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 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 recognised stock exchange preceding the relevant date; or

b. the [10 trading days] volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

**Regulation 164. (4)** [(a)] A preferential issue of specified securities to qualified institutional buyers, not exceeding five in number, shall be made at a price not less than the [10 trading days] volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

**Explanation:** For the purpose of this regulation, 'stock exchange' means any of the recognised stock exchange(s) in which the equity shares of the issuer are listed and in which the highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding [90 trading days] prior to the relevant date.

**Relevant date**

**Regulation 161.** For the purpose of this Chapter, "relevant date" means:

a) in case of preferential issue of equity shares, the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue:

b) in case of a preferential issue of convertible securities, either the relevant date referred to in clause (a) of this regulation or a date thirty days prior to the date on which the holders of the convertible securities become entitled to apply for the equity shares.

**Explanation:** Where the relevant date falls on a weekend or a holiday, the day preceding the weekend or the holiday will be reckoned to be the relevant date.



The below table summarizes the approaches and methodologies of valuation with our comments:

Approach	Valuation Methodologies	Our Comments
Asset	Net Asset Value (NAV) Method	The Asset based method views the business as a set of assets and liabilities that are used as building blocks of a business value. The difference in the value of these assets and liabilities on a Book Value basis or Realizable Value basis or Replacement Cost basis is the business value. However, this methodology recognizes historical cost of net assets only without recognizing its present earnings, comparative financial performance of its peers and their enterprise values etc. Therefore, in general Net Asset Value only reflects the minimum proxy value of the company. In the instant case, the subject company is intended to be continued on a 'going concern basis', therefore, we have considered but not applied this methodology as value derived by using asset approach may not be representative of its fair market value.
Market	Comparable Companies Trading Multiples (CCM) Method	This methodology uses the valuation ratio of publicly traded listed companies and applies that ratio to the subject company being valued. The valuation ratio typically expresses the valuation as a function of a measure of financial performance or Book Value (e.g., Revenue, EBITDA, EBIT, PAT etc.). A key benefit of Comparable Companies Trading Multiples analysis is that this methodology is based on the current market price of peer companies which is generally viewed as one of the best valuation metrics as an observable input. The difficulty here is the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, profitability and accounting practices. Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way similar companies in Industry are valued by public markets. In the case of HTPL, we have applied the CCM method of market approach to arrive at the fair market value of the company.
	Market Price Method	Since HTPL is a listed company on NSE and BSE and its equity shares are frequently traded, to arrive at its Equity Value per share, we have applied the pricing methodology prescribed under SEBI Preferential allotment guidelines as per Regulation 164 of SEBI ICDR Regulations, 2018.
Income	Discounted Free Cash Flow (DFCF) Method	The DFCF method works on the premise that the value of a business is measured in terms of future cash flow streams, discounted to the present time at an appropriate discount rate.  In the instant case, the objective is to derive the Fair Market Value of the Equity Shares of the Company as on the Valuation date. We have not applied this methodology for this purpose as this method is based on future business plans of the company. However, the Company being a listed company has not disclosed concrete long terms financial projections, hence we did not apply this method.



**The valuation of Hi-Tech Pipes Limited with its basis is given below-**

**A. COMPARABLE COMPANIES TRADING MULTIPLES (CCM) METHODOLOGY**

We have valued the equity shares of the company using CCM methodology as on the Valuation date as per below process-

***We have selected the peer companies based on the following parameters: -***

- 1. Business Model:** To arrive at the fair value of HTPL, we have used the CCM methodology, by comparing the Trailing Twelve Months (TTM) EV to EBITDA (EV/EBITDA) median Multiples as on the Valuation date of certain companies listed on Nationwide Stock Exchanges in India having NIC Code of 2431 "Manufacture of tubes, pipes and hollow profiles and of tube or pipe fittings of cast-iron/cast-steel". We have adjusted the median multiples considering the size and operating characteristics of companies vis-à-vis the subject company. We have considered only those companies whose Industry classification and business model (in terms of the principal products/services) is similar to the company's business model.
- 2. Trade Volume:** Only those companies have been considered, whose shares are frequently traded at National Stock Exchange (NSE) or Bombay Stock Exchange (BSE) in accordance with SEBI (ICDR) Regulations, 2018.

**Arriving at Equity Value Using Market Approach-  
Comparable Trading Multiples Method**

Particulars	Amount (INR Cr)
Operating EBITDA (*TTM period ending Sep 22)	89.82
EV/ EBITDA Multiple	12.68
<b>Enterprise Value</b>	<b>1138.83</b>
Less: Debt & Debt like item as on 30.09.2022	(360.07)
Add: Cash and Cash Equivalent as on 30.09.2022	18.63
<b>Equity Value (Pre Money)</b>	<b>797.39</b>
<b>No. of Equity Shares (Pre Money)</b>	<b>12,271,100.00</b>
<b>Value Per Share (Pre Money)</b>	<b>649.81</b>

\*Trailing Twelve Months

**B. MARKET PRICE METHODOLOGY**

In the instant case, we have relied upon the Total Traded Quantity and Turnover data from the "NSE" and derived the 90 and 10 trading days volume weighted average price (VWAP) of the quoted equity shares of the company preceding the Relevant date in accordance with the pricing methodology prescribed under SEBI Preferential allotment guidelines as per Regulation 164 of SEBI ICDR Regulations, 2018. **As informed to us by the management, the Relevant Date for Valuation is considered as 25<sup>th</sup> November, 2022.**



**Working of 90 trading days volume weighted average price (VWAP) preceding the relevant date**

S.N.O	Date	vwap	Volume	Value	S.N.O	Date	vwap	Volume	Value
1	24-Nov-22	777.79	2,97,532.00	23,14,15,973.35	46	19-Sep-22	609.25	18,083.00	1,10,17,146.50
2	23-Nov-22	753.81	4,81,523.00	36,29,77,139.40	47	16-Sep-22	610.77	18,910.00	1,15,49,613.35
3	22-Nov-22	693.38	12,18,961.00	84,52,07,110.10	48	15-Sep-22	617.96	12,986.00	80,24,838.10
4	21-Nov-22	639.79	3,05,595.00	19,55,15,557.15	49	14-Sep-22	619.04	43,370.00	2,68,47,882.60
5	18-Nov-22	617.66	1,24,776.00	7,70,69,191.75	50	13-Sep-22	609.46	93,128.00	5,67,57,647.95
6	17-Nov-22	597.85	2,81,094.00	16,80,51,988.60	51	12-Sep-22	586.05	41,531.00	2,43,39,291.20
7	16-Nov-22	614.32	91,250.00	5,60,56,540.30	52	09-Sep-22	597.87	82,296.00	4,92,02,244.50
8	15-Nov-22	631.99	1,67,021.00	10,55,56,324.85	53	08-Sep-22	586.9	8,139.00	47,76,803.55
9	14-Nov-22	654.28	1,23,855.00	8,10,35,391.85	54	07-Sep-22	586.84	13,462.00	79,00,086.20
10	11-Nov-22	654.68	77,904.00	5,10,02,231.00	55	06-Sep-22	588.54	7,293.00	42,92,194.10
11	10-Nov-22	654.76	67,466.00	4,41,73,807.15	56	05-Sep-22	597.23	16,252.00	97,06,257.95
12	09-Nov-22	659.26	94,944.00	6,25,92,328.80	57	02-Sep-22	611.64	17,655.00	1,07,98,469.40
13	07-Nov-22	649.68	28,794.00	1,87,06,984.70	58	01-Sep-22	605.36	95,204.00	5,76,32,765.35
14	04-Nov-22	655.21	40,323.00	2,64,19,957.80	59	30-Aug-22	582.54	78,131.00	4,55,14,307.70
15	03-Nov-22	661.86	1,02,804.00	6,80,41,584.15	60	29-Aug-22	577.87	20,554.00	1,18,77,505.00
16	02-Nov-22	661.92	48,535.00	3,21,26,090.30	61	26-Aug-22	565.42	48,721.00	2,75,47,663.70
17	01-Nov-22	652.45	59,508.00	3,88,25,838.40	62	25-Aug-22	585.72	7,966.00	46,65,852.55
18	31-Oct-22	653.4	36,434.00	2,38,06,103.40	63	24-Aug-22	591.8	24,839.00	1,46,99,761.60
19	28-Oct-22	647.3	1,71,317.00	11,08,94,117.90	64	23-Aug-22	587.82	16,715.00	98,25,353.30
20	27-Oct-22	644.5	74,990.00	4,83,31,349.85	65	22-Aug-22	604.58	1,60,883.00	9,72,66,316.30
21	25-Oct-22	651.26	65,517.00	4,26,68,850.10	66	19-Aug-22	600.87	1,90,842.00	11,46,71,672.50
22	24-Oct-22	642.67	88,436.00	5,68,35,083.10	67	18-Aug-22	552.85	2,07,210.00	11,45,55,858.60
23	21-Oct-22	629.92	59,373.00	3,74,00,019.55	68	17-Aug-22	537.27	26,835.00	1,44,17,537.10
24	20-Oct-22	632	89,659.00	5,66,64,221.50	69	16-Aug-22	524.9	13,846.00	72,67,764.75
25	19-Oct-22	619.37	76,738.00	4,75,29,337.10	70	12-Aug-22	512.66	15,967.00	81,85,690.45
26	18-Oct-22	608.73	37,705.00	2,29,52,054.00	71	11-Aug-22	512.89	22,212.00	1,13,92,205.85
27	17-Oct-22	613.42	23,862.00	1,46,37,312.15	72	10-Aug-22	515.82	31,473.00	1,62,34,401.60
28	14-Oct-22	615.14	36,741.00	2,26,00,976.10	73	08-Aug-22	538.23	14,893.00	80,15,908.05
29	13-Oct-22	605.81	24,603.00	1,49,04,805.40	74	05-Aug-22	529.32	50,194.00	2,65,68,812.60
30	12-Oct-22	602.01	14,030.00	84,46,210.50	75	04-Aug-22	526.11	4,223.00	22,21,757.55
31	11-Oct-22	598.37	18,612.00	1,11,36,882.60	76	03-Aug-22	533.99	9,339.00	49,86,932.10
32	10-Oct-22	601.71	41,756.00	2,51,24,808.10	77	02-Aug-22	537.71	10,215.00	54,92,662.10
33	07-Oct-22	620.59	38,135.00	2,36,66,271.75	78	01-Aug-22	535.66	13,193.00	70,66,988.95
34	06-Oct-22	618.95	48,018.00	2,97,20,922.45	79	29-Jul-22	536.91	38,272.00	2,05,48,598.35
35	04-Oct-22	605.43	52,328.00	3,16,81,111.05	80	28-Jul-22	537.72	11,275.00	60,62,757.40
36	03-Oct-22	598.01	39,501.00	2,36,22,019.05	81	27-Jul-22	541.69	15,303.00	82,89,455.40
37	30-Sep-22	586.75	15,872.00	93,12,831.80	82	26-Jul-22	546.03	54,230.00	2,96,11,012.25
38	29-Sep-22	587.33	13,375.00	78,55,504.20	83	25-Jul-22	545.76	72,485.00	3,95,59,613.55
39	28-Sep-22	577.1	14,584.00	84,16,491.90	84	22-Jul-22	531.61	87,750.00	4,66,48,975.70
40	27-Sep-22	583.5	22,472.00	1,31,12,376.80	85	21-Jul-22	519.06	50,307.00	2,61,12,571.80
41	26-Sep-22	593.4	33,488.00	1,98,71,757.10	86	20-Jul-22	513.82	33,614.00	1,72,71,506.75
42	23-Sep-22	603.74	30,789.00	1,85,88,655.55	87	19-Jul-22	513.52	67,180.00	3,44,98,426.35
43	22-Sep-22	614.45	45,682.00	2,80,69,457.55	88	18-Jul-22	509.71	1,89,277.00	9,64,76,422.30
44	21-Sep-22	601.59	20,130.00	1,21,09,973.65	89	15-Jul-22	463.82	27,543.00	1,27,74,976.60
45	20-Sep-22	609.71	7,858.00	47,91,135.65	90	14-Jul-22	470.52	65,558.00	3,08,46,211.60
				<b>Total</b>	<b>70,03,244.00</b>	<b>4,44,35,45,400.65</b>			
				<b>90 Trading Days VWAP</b>	<b>634.50</b>				

**Working of 10 trading days volume weighted average price (VWAP) preceding the relevant date**

S.N.O	Date	vwap	VOLUME	VALUE
1	24-Nov-22	777.79	2,97,532.00	23,14,15,973.35
2	23-Nov-22	753.81	4,81,523.00	36,29,77,139.40
3	22-Nov-22	693.38	12,18,961.00	84,52,07,110.10
4	21-Nov-22	639.79	3,05,595.00	19,55,15,557.15
5	18-Nov-22	617.66	1,24,776.00	7,70,69,191.75
6	17-Nov-22	597.85	2,81,094.00	16,80,51,988.60
7	16-Nov-22	614.32	91,250.00	5,60,56,540.30
8	15-Nov-22	631.99	1,67,021.00	10,55,56,324.85
9	14-Nov-22	654.28	1,23,855.00	8,10,35,391.85
10	11-Nov-22	654.68	77,904.00	5,10,02,231.00
			<b>Total</b>	<b>31,69,511.00</b>
			<b>10 Trading Days VWAP</b>	<b>685.87</b>

**Share Price (Higher of 90 or 10 Trading Days VWAP) 685.87**

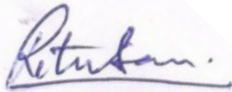
**Share Price 10 Trading Days VWAP 685.87**



Note: It has been represented by the Management that the Articles of Association (“AOA”) of the company do not provide for any other method of determination of floor price for equity shares to be allotted pursuant to the preferential issue. Further it has been informed to us that there shall be no change in control of the company pursuant to the preferential issue.

***Based on above Analysis of Equity Shares of Hi-Tech Pipes Limited and subject to our comments and caveats as further detailed in this report, we have arrived at the minimum value per Equity Share of the Company at INR 685.87.***

For Ritu Sarin



Registered Valuer (IBBI)

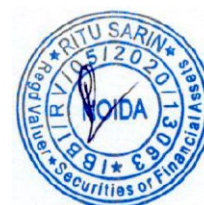
IBBI Valuer Registration No. IBBI/RV/05/2020/13063

UDIN: 22408680BEBIFF2879

Date: 25<sup>th</sup> November 2022

## SECTION V CAVEATS

- This Valuation Report has been issued on the specific request of the company for determining the fair market value of equity shares of the company as on the valuation date in accordance with the SEBI Regulations, Companies Act, 2013. This Report is prepared exclusively for the above stated purpose and must not be copied, disclosed or circulated or referred to in correspondence or discussion with any other party. Neither this report nor its content may be used for any other purpose without our prior written consent.
- No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in accounts. Therefore, no responsibility is assumed for matters of legal nature.
- In accordance with the customary approach adopted in the Valuation exercise, we have summarized the fair equity share exchange ratio of the company based on the information as was provided to us by the management both written, verbal and other publicly available information. We do not assume any responsibility for the accuracy or reliability of such documents on which we have relied upon in forming our opinion.
- This Report does not look into the business/commercial reasons behind the transaction nor the likely benefits arising out of the same. In addition, we express no opinion or recommendation, and the shareholders are expected to exercise their own discretion.
- We are independent of the Company and have no present or planned future interest in the Company and the fee for this Valuation analysis is not contingent upon the values reported herein. The Valuation Analysis contained herein is not intended to represent the value at any time other than the date that is specifically stated in this Report.
- The report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- In no circumstances shall the liability of a valuer, its partners, directors or employees, relating to the services provided in connection with the engagement set out in this Valuation report shall exceed the amount paid to such valuer in respect of the fees charged by it for these services.
- Our valuation report should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into the transaction.





**Extract from Audited Consolidated Statement of Profit and Loss for the period ending 31st March, 2022**

<b>S. No.</b>	<b>Particulars</b>	<b>Amount INR CR</b>
I.	Revenue from operations	1878.84
II.	Other Income	0.94
III.	<b>Total Revenue (I +II)</b>	<b>1879.78</b>
IV.	<b>Expenses:</b>	
	Cost of material consumed	1735.34
	Purchase of stock in trade	2.50
	Changes in inventories of finished goods, work-in-progress	(38.56)
	Employee benefit expense	21.98
	Financial costs	36.47
	Depreciation and amortization	9.66
	Other expenses	57.06
	<b>Total Expenses</b>	<b>1824.46</b>
V	<b>Profit before tax (III - IV)</b>	<b>55.32</b>
VIII	<b>Tax Expense</b>	<b>14.99</b>
IX	<b>Profit/Loss after Tax</b>	<b>40.32</b>

