

**Valuation Report of Shares of
Apollo Pipes Limited**

CIN - L65999DL1985PLC022723

Valuation Date: January 25, 2025

Valuation Report Date: January 25, 2025



COMPANY OVERVIEW

Apollo Pipes Limited ("Company") is an entity incorporated on December 09, 1985 under Ministry of Corporate Affairs (MCA). The Registered office of the Company is 37, Hargobind Enclave Vikas Marg, East Delhi, Delhi, India, 110092.

The Company is a Listed Public Limited Entity having Authorised Share Capital of Rs. 450,000,000 and Paid-up Share Capital of Rs. 440,482,060 as on date of valuation (as per MCA). The Current Status of the Company as per MCA Records is - Active.

Following are the directors of the Company:

Sr. No.	Name of Directors	DIN
1	Sameer Gupta	00005209
2	Arun Agarwal	10067312
3	Neeru Abrol	01279485
4	Ashok Kumar Gupta	01722395
5	Abhilash Lal	03203177
6	Pradeep Kumar Jain	08063400

The Company carries on the business of manufacture, process, fabricate, design, buy, sell, import, export or otherwise deal in all kinds of P.V.C. pipes, tubes, fitting refills, sections, articles, items, P.V.C. sheet, HDPE Pipes, LDPE Pipes, foam pipes, plastic and P.V.C. houses and Pipes Polyolefine Pipes and tubes rubber pipes and fittings and their accessories and furniture and home products made up of plastic and other material.



VALUATION OF SHARES

1. Scope and Background for Valuation

We have been appointed by the Company on January 24, 2025 to estimate the fair value of shares of the Company as on January 25, 2025. Accordingly, the Company only is the intended user of this report. The purpose of valuation is to comply with the provisions of The Companies Act, 2013 for further issue of shares.

2. Disclosure of Interest

The valuer is a registered individual valuer and does not have any sort of interest in the company. Further, the valuer is not having any type of conflicts with any party, related to the above securities.

3. Disclaimers and Limitations

- i. This report has been prepared solely for limited purpose as mentioned above and should not be relied upon for any other purpose and without appreciation of the limitations under which the valuation has been carried out. We do not assume any responsibility or liability to any third party to whom the report is disclosed or otherwise made available. Consequently, users are cautioned that this valuation Report may not be appropriate for the purposes other than as described above.



- ii. The valuation may be based on the company's unaudited records and future projections prepared by the management.
- iii. The valuer does not give any representation or warranty (express or implied) in relation to the accuracy, reasonableness and/or completeness of the information contained in this document. No responsibility or liability is accepted for any direct, indirect or consequential loss or damage suffered by any person arising there from and the same is expressly disclaimed.
- iv. As per the management, there is no contingent or any other liability which has arisen either as on or after the date of valuation which are likely to affect materially the state of the balances of accounts as on that date.
- v. For the purpose of this assignment we have relied upon and accepted the information and representations made available to us by the management of the Company and our conclusions are dependent on such information being complete and accurate in all material aspects.
- vi. Although we have ensured the appropriateness of the estimates and assumptions, we were neither required nor have we independently verified, or carried out a due diligence of the management's information and future projections (wherever applicable) submitted to us for the purpose of this valuation. Valuation is based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of



income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered will vary from these estimates and these variations may be material. We express no opinion as to how closely the actual results will correspond to the results projected.

- vii. In furnishing this report, we reserve the right to amend or replace the report at any time. Our engagement will be governed by and construed in accordance with Laws of India. All disputes hereunder will be subject to final & binding arbitration in New Delhi, India in accordance with Arbitration & Conciliation Act, 1996 as amended.
- viii. The Company or user of this report has verified the factual accuracy of the contents of the report. In case of any discrepancy, the same must be brought to the notice of undersigned within 5 days of issuance of this report.

4. Bases, Premise, Approach and Method of Valuation

Bases of Valuation

Fair Value of shares of the Company.

Valuation Premise

The valuation has been conducted on the premise of Going Concern Value.



Going concern value

It is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of Going Concern Value result from factors such as having a trained work force, an operational plant, the necessary licenses, marketing systems, and procedures in place etc.

Valuation by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. Given the same set of facts and using the same assumptions, expert opinions may differ due to the number of separate judgment decisions. There can therefore be no standard formulae to establish an indisputable value, although certain formulae are helpful in assessing reasonableness.

The Fair Value of shares has been computed by considering compliance with the provisions of The Companies Act, 2013.

Definition of Fair Value

Valuation Standards 2018 issued by The Institute of Chartered Accountants of India defines Fair Value as:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. Fair value is the price in an orderly transaction in the principal (or most advantageous) market at the valuation date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.



Fair value is usually synonymous to market value except in certain circumstances where characteristics of an asset translate into a special asset value for the party(ies) involved.

Price

Fair value assumes that the price is negotiated in a free market (which may be domestic or international). Fair value reflects characteristics of an asset which are available to market participants in general and do not consider advantages/ disadvantages which are available/applicable only to particular participant(s).

The price in the principal (or most advantageous) market used to measure the fair value of the asset shall not be adjusted for transaction costs. To this end, a market in which the volume and level of activities is high, or one in which the realisation from an asset is maximum, is considered.

Orderly transaction

Orderly transaction is a transaction that assumes exposure to the market for a period before the valuation date to allow for marketing activities that are usual and customary for transactions involving such assets or liabilities and it is not a forced transaction. The length of exposure time will vary according to the type of asset and market conditions.

Market participants

Market participants are willing buyers and willing sellers in the principal (or most advantageous) market for the asset or liability that have all of the following characteristics:
(a) they are independent of each other, that is, they are not related parties as defined under applicable accounting framework and set of reporting/ accounting standards therein,



although the price in a related party transaction may be used as an input to a fair value measurement if the entity has evidence that the transaction was entered into at market terms;

(b) they are knowledgeable, having a reasonable understanding about the asset or liability and the transaction using all available information, including information that might be obtained through due care that is usual and customary;

(c) they are able to enter into a transaction for the asset or liability; and

(d) they are willing to enter into a transaction for the asset or liability, i.e., they are motivated but not forced or otherwise compelled to do so.

Valuation Approaches

Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business. The following are some of the instances where a valuer applies the market approach:

(a) where the asset to be valued or a comparable or identical asset is traded in the active market;

(b) there is a recent, orderly transaction in the asset to be valued; or

(c) there are recent comparable orderly transactions in identical or comparable asset(s) and information for the same is available and reliable.



Cost Approach

Cost approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost). In certain situations, historical cost of the asset may be considered by the valuer where it has been prescribed by the applicable regulations/law/guidelines or is appropriate considering the nature of the asset. Examples of situations where a valuer applies the cost approach are:

- (a) an asset can be quickly recreated with substantially the same utility as the asset to be valued;
- (b) in case where liquidation value is to be determined; or
- (c) income approach and/or market approach cannot be used

The following are the two most commonly used valuation methods under the Cost approach:

- (a) Replacement Cost Method; and
- (b) Reproduction Cost Method.

Income Approach

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts. This approach involves discounting future amounts (cash flows/income/cost savings) to a single present value. The following are some of the instances where a valuer applies the income approach:

- (a) where the asset does not have any market comparable or comparable transaction;
- (b) where the asset has fewer relevant market comparable; or



(c) where the asset is an income producing asset for which the future cash flows are available and can reasonably be projected.

Some of the common valuation methods under income approach are as follows:

- (a) Discounted Cash Flow (DCF) Method;
- (b) Relief from Royalty (RFR) Method;
- (c) Multi-Period Excess Earnings Method (MEEM);
- (d) With and Without Method (WWM);
- (e) Comparable Companies Multiple Method and;
- (f) Option pricing models such as Black-Scholes-Merton formula or binomial (lattice) model.

A valuer can make use of one or more of the processes or methods available for each approach. The appropriateness of a valuation approach for determining the value of an asset would depend on valuation bases and premises. In addition, some of the key factors that a valuer shall consider while determining the appropriateness of a specific valuation approach and method are:

- (a) nature of asset to be valued;
- (b) availability of adequate inputs or information and its reliability;
- (c) strengths and weakness of each valuation approach and method; and
- (d) valuation approach/method considered by market participants.

Method Adopted

Fair Value of Equity Shares has been determined as Weighted Average of Comparable Transactions Method under Market Approach, Net Asset Method (Summation Method) under Cost Approach and Comparable Companies Multiple Method under Income



Approach. Discounted Cash Flow Method has not been used considering future cash flow projections were not available. Compliance with International Valuation Standards and Valuation Standards issued by The Institute of Chartered Accountants of India has been ensured while preparing this report.

Significant Limitations and Additional Disclaimers

For determining the fair value, the Company has provided us the Audited financial statements as on March 31, 2024 and Balance Sheet & Statement of financial results for the period ended September 30, 2024. Financial statements as on valuation date were not available. Hence, due to the lack of financial statements as on the valuation date we have considered the book values of net assets as on September 30, 2024 for Cost Approach and financial results for the year ended March 31, 2024 for Income Approach as the proxy for the financial statements as on the valuation date. Our valuation report may change post availability of such information.

5. Source of Information

For the purpose of valuation, we have relied on the following information made available to us by the management:

- i. Audited Financial Statements as on March 31, 2024 and March 31, 2023;
- ii. MOA and AOA of the Company;
- iii. Balance Sheet & Statement of financial results for the period ended September 30, 2024;
- iv. Shareholding pattern as on valuation date;



- v. Other relevant details regarding the Companies such as their history, their promoters, past and present activities, other relevant information and data including information in the public domain;
- vi. Such other information and explanations as we required and which have been provided by the management.

Additionally, we have relied on the data as made available for public by Ministry of Company Affairs (MCA), National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) through its website;

6. Valuation of Shares

Comparable Transactions Method - Value per share has been determined as higher of the following:

- i) the 90 trading days volume weighted average price of the equity shares quoted on NSE preceding the valuation date i.e. Rs. 505.58 (Refer Annexure 1)
- ii) the 10 trading days volume weighted average price of the equity shares quoted on NSE preceding the valuation date i.e. Rs. 438.51 (Refer Annexure 1)

Accordingly, Value of the equity share as per Comparable Transactions Method under Market Approach has been considered as Rs. 505.58 per equity share as on valuation date.

Net Asset Value Method - We have considered the latest available balance sheet of the Company as on 30 September 2024 and have computed net worth per equity shares of the Company. Our calculations are given below:



Particulars	Amount (Rs. In Lakhs)
Non Current Assets	69,887.21
Property, Plant & Equipments	46,404.80
Capital Work in Progress	4,108.13
Goodwill	3,099.67
Other Intangible Assets	18.49
Right of Use Assets	890.19
Financial Assets - Investments	6,485.78
Financial Assets - Other financial assets	467.37
Non Current Tax Assets (Net)	127.97
Deferred Tax Assets	3,818.61
Other Non Current Assets	4,466.20
Current Assets	44,635.42
Inventories	24,578.11
Trade Receivable	8,283.15
Cash and Cash equivalents	6,155.67
Other Bank Balances	542.75
Loans	371.94
Other Financial Assets	565.65
Other Current Assets	3,809.92
Assets Classified as held for sale	328.23
Total Book Value of Assets (A)	114,522.63
Non Current Liabilities	13,846.79
Long Term Borrowings	2,386.55
Lease Liability	5.89
Long Term Provisions	664.67
Deferred Tax Liabilities	1,273.22
Share of Non Controlling Interest	9,516.46
Current Liabilities	32,770.00
Short Term Borrowings	11,445.43
Trade and Other Payables	13,227.61
Other Financial Liabilities	2,786.62
Short Term Provisions	1,258.14
Other Current Liabilities	4,052.20
Total Book Value of External Liabilities (B)	46,616.79
Net Asset Value (A-B)	67,905.84
Number of Equity Shares Outstanding as on 30-Sep-24 (No. in Lakhs)	413.53
Equity Value Per Share (In Rs.)	164.21



Accordingly, we have computed the value under Net Asset Method (Cost Approach) as on September 30, 2024 and consequently as on valuation date to be Rs. 164.21 per equity share.

Comparable Companies Multiple Method - Under this approach, we have computed fair value per equity share using EV to EBITDA Multiple. The EV to EBITDA multiple has been considered based on average of multiples of following leading peer companies that are listed on recognized stock exchanges:

Leading Companies	EV to EBITDA
Finolex Industries Ltd	20.40
Supreme Industries Ltd	32.56
Astral Ltd	55.30
Prince Pipes and Fittings Ltd	18.89
Kriti Industries (India) Ltd.	12.19
Average EV to EBITDA Ratio	27.87

Source – www.moneycontrol.com

Computation of fair value using EV to EBITDA multiple:

S.no.	Particulars	Unit	Value
1	EBITDA for the year ended 31 Mar 2024	Rs. in Lakhs	9,925.42
2	EV to EBITDA multiple	X	27.87
3	Enterprise Value (1) * (2)	Rs. in Lakhs	276,601.60
4	Less: External Debt of the Company	Rs. in Lakhs	(13,831.98)
5	Add: Cash and Cash Equivalents	Rs. in Lakhs	6,698.42
6	Net Equity Value (3) - (4) + (5)	Rs. in Lakhs	269,468.04
7	No. of Equity Shares as on valuation date	Lakhs	440.48
	Value per Equity Share (6) / (7) Rs.		611.76

Therefore, value of the equity share using Comparable Companies Multiple Method as on valuation date has been estimated to be **Rs. 611.76 per equity share.**



7. Value Conclusion

Weighted Average Value of Shares:

Valuation Method	Approach	Value per Share	Weight	Value * Weight
Net Asset Method	Cost Approach	164.21	0.10	16.42
Comparable Transactions Method	Market Approach	505.58	0.50	252.79
Comparable Companies Multiple Method	Income Approach	611.76	0.40	244.70
Fair Value per share				513.92

To the best of our knowledge and understanding and relying upon the information and assumptions as mentioned above the fair value per equity share of the Company works out to be **Rs. 513.92 (Rupees Five hundred Thirteen and paise Ninety Two only) per equity share** as on January 25, 2025.



Ankush Garg
Independent Registered Valuer
Securities or Financial Assets
IBBI Reg. No.: IBBI/RV/02/2018/10010
ICAI M. No. 514204
PAN – AHRPG4914B



VRN: IOV/2024-2025/8650
UDIN: 25514204BMKTPJ7908

Date: January 25, 2025
Place: New Delhi

Annexure 1**Volume Weighted Average Price for 90 Trading Days:**

Day No.	Date	WAP	No. of Shares	Total Turnover
1	24-Jan-25	434.89	42,935	18,672,196
2	23-Jan-25	436.14	44,200	19,277,402
3	22-Jan-25	426.21	45,130	19,234,766
4	21-Jan-25	446.51	268,269	119,785,805
5	20-Jan-25	438.77	34,310	15,054,322
6	17-Jan-25	433.75	55,640	24,133,770
7	16-Jan-25	436.82	77,125	33,689,998
8	15-Jan-25	431.85	23,155	9,999,583
9	14-Jan-25	430.00	25,568	10,994,343
10	13-Jan-25	423.12	37,285	15,775,949
11	10-Jan-25	429.45	16,263	6,984,190
12	09-Jan-25	436.92	22,684	9,911,181
13	08-Jan-25	440.25	39,783	17,514,650
14	07-Jan-25	448.20	33,040	14,808,386
15	06-Jan-25	454.50	51,358	23,342,260
16	03-Jan-25	466.06	27,983	13,041,856
17	02-Jan-25	465.20	47,252	21,981,671
18	01-Jan-25	465.14	26,003	12,095,001
19	31-Dec-24	463.87	16,925	7,850,966
20	30-Dec-24	470.08	25,966	12,206,144
21	27-Dec-24	475.88	26,058	12,400,381
22	26-Dec-24	467.75	40,551	18,967,884
23	24-Dec-24	477.63	19,204	9,172,475
24	23-Dec-24	473.45	41,834	19,806,118
25	20-Dec-24	475.52	24,896	11,838,464
26	19-Dec-24	480.15	29,278	14,057,953
27	18-Dec-24	491.33	137,765	67,687,836
28	17-Dec-24	475.55	40,800	19,402,544
29	16-Dec-24	483.75	69,604	33,671,227
30	13-Dec-24	473.98	18,506	8,771,462
31	12-Dec-24	480.63	52,059	25,021,363
32	11-Dec-24	482.91	30,527	14,741,887
33	10-Dec-24	481.80	47,337	22,806,849
34	09-Dec-24	484.31	31,277	15,147,682
35	06-Dec-24	483.74	39,873	19,288,086
36	05-Dec-24	484.70	72,453	35,117,947



*Apollo Pipes Limited**Valuation of Shares as on January 25, 2025*

37	04-Dec-24	493.40	74,512	36,763,858
38	03-Dec-24	502.57	32,639	16,403,353
39	02-Dec-24	493.40	23,628	11,658,086
40	29-Nov-24	496.89	77,638	38,577,651
41	28-Nov-24	498.29	16,637	8,289,999
42	27-Nov-24	496.93	24,448	12,148,892
43	26-Nov-24	493.73	21,645	10,686,876
44	25-Nov-24	495.13	278,493	137,889,041
45	22-Nov-24	462.81	44,540	20,613,490
46	21-Nov-24	464.47	32,922	15,291,124
47	19-Nov-24	474.18	27,741	13,154,194
48	18-Nov-24	476.92	57,509	27,426,922
49	14-Nov-24	480.99	42,096	20,247,631
50	13-Nov-24	483.47	60,950	29,467,533
51	12-Nov-24	503.42	24,312	12,239,105
52	11-Nov-24	505.87	15,402	7,791,402
53	08-Nov-24	514.63	13,881	7,143,632
54	07-Nov-24	520.63	32,044	16,683,099
55	06-Nov-24	523.54	21,813	11,420,005
56	05-Nov-24	519.60	21,725	11,288,287
57	04-Nov-24	519.27	20,353	10,568,729
58	01-Nov-24	531.74	14,325	7,617,144
59	31-Oct-24	534.53	87,594	46,821,659
60	30-Oct-24	518.56	39,302	20,380,342
61	29-Oct-24	505.78	63,427	32,079,911
62	28-Oct-24	494.28	76,257	37,692,476
63	25-Oct-24	496.48	154,667	76,789,539
64	24-Oct-24	505.78	67,672	34,227,051
65	23-Oct-24	503.03	79,365	39,922,616
66	22-Oct-24	520.13	100,778	52,417,805
67	21-Oct-24	539.42	54,738	29,526,872
68	18-Oct-24	546.94	29,217	15,979,940
69	17-Oct-24	550.89	35,847	19,747,851
70	16-Oct-24	553.71	40,889	22,640,700
71	15-Oct-24	555.58	30,557	16,976,794
72	14-Oct-24	561.48	67,636	37,976,318
73	11-Oct-24	566.35	29,884	16,924,715
74	10-Oct-24	565.02	22,522	12,725,472
75	09-Oct-24	563.57	26,866	15,140,925
76	08-Oct-24	552.51	74,036	40,905,402



77	07-Oct-24	563.74	47,885	26,994,905
78	04-Oct-24	575.19	21,832	12,557,528
79	03-Oct-24	579.16	22,110	12,805,327
80	01-Oct-24	583.53	24,481	14,285,294
81	30-Sep-24	583.08	30,985	18,066,830
82	27-Sep-24	588.25	27,573	16,219,712
83	26-Sep-24	588.17	39,443	23,199,231
84	25-Sep-24	596.52	38,776	23,130,769
85	24-Sep-24	603.36	112,628	67,955,043
86	23-Sep-24	602.58	55,809	33,629,584
87	20-Sep-24	604.09	149,296	90,188,806
88	19-Sep-24	602.35	52,981	31,913,284
89	18-Sep-24	621.84	21,785	13,546,785
90	17-Sep-24	629.43	64,667	40,703,096
Total			4,453,654	2,251,697,230

Volume Weighted Average Price for 90 Trading Days

Traded Turnover	2,251,697,230
No. of shares traded	4,453,654
Volume Weighted average price for 90 trading days	505.58

Volume Weighted Average Price for 10 Trading Days:

Day No.	Date	WAP	No. of Shares	Total Turnover
1	24-Jan-25	434.89	42,935	18,672,196
2	23-Jan-25	436.14	44,200	19,277,402
3	22-Jan-25	426.21	45,130	19,234,766
4	21-Jan-25	446.51	268,269	119,785,805
5	20-Jan-25	438.77	34,310	15,054,322
6	17-Jan-25	433.75	55,640	24,133,770
7	16-Jan-25	436.82	77,125	33,689,998
8	15-Jan-25	431.85	23,155	9,999,583
9	14-Jan-25	430.00	25,568	10,994,343
10	13-Jan-25	423.12	37,285	15,775,949
Total			653,617	286,618,134

Volume Weighted Average Price for 10 Trading Days

Traded Turnover	286,618,134
No. of shares traded	653,617
Volume Weighted average price for 10 trading days	438.51

