



APL/SECT/DLH/SE: 2018-19

18<sup>th</sup> October 2018

Electronic Filing

National Stock Exchange of India Limited  
"Exchange Plaza" Bandra-Kurla Complex,  
Bandra (E),  
Mumbai-400051

Department of Corporate Services/Listing  
BSE Limited  
Phiroze Jeejeebhoy Tower,  
Dalal Street, Fort,  
Mumbai-400001

NSE Symbol : APLAPOLLO

Scrip Code : 533758

**Re: Outcome for the Meeting of Board of Directors of APL Apollo Tubes Limited ('the Company') pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

This is in reference to the above captioned subject and in terms of the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we wish to inform that the Board of Directors of the Company in their meeting held today i.e. Thursday, October 18<sup>th</sup>, 2018 at 4:00 P.M. concluded at 6.45 P.M. at the Corporate office of the Company situated at 36, Kaushambi, Near Anand Vihar Terminal, Delhi NCR, Ghaziabad, Uttar Pradesh – 201010, has inter-alia transacted the following businesses:

Considered and approved the acquisition/investment by Shri Lakshmi Metal Udyog Limited, a wholly owned subsidiary of the Company by way of entering into a Share Purchase Agreement for the acquisition of 80,30,030 Equity Shares and Options attached to 43,00,000 Warrants of Apollo Tricoat Tubes Limited ('Target Entity') which will together represent 40.43% of the fully diluted share capital of the Target Entity in terms of the provisions of Section 186 of the Companies Act, 2013 and relevant rules thereto. The aforesaid acquisition/investment would trigger the open offer requirement in terms of the provisions of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011.

The details of the acquisition/investment as required to be disclosed in terms of the SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 09, 2018 is mentioned in the 'Annexure'.

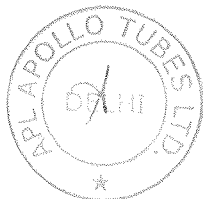
Kindly take the above information in your records.

Thanking you

Yours faithfully

For APL Apollo Tubes Limited

Adhish Swaroop  
Company Secretary  
Encl: a/a



APL Apollo Tubes Limited (CIN-L74899 DL 1986PLC023443)

Corp. Office : 36, Kaushambi, Near Anand Vihar Terminal, Delhi-NCR-201010, India Tel : +91-120-4041400 Fax : +91-120-4041444

Regd. Office : 37, Hargovind Enclave, Vikas Marg, Delhi-110092, India Tel : +91-11-22373437 Fax : +91-11-22373537

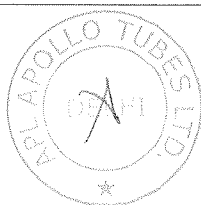
Unit-I : A-19, Industrial Area, Sikandrabad, Distt. Bulandshahar, U.P.-203205, India Unit - II : 332-338, Alur Village, Perandapalli, Hosur, Tamilnadu-635109, India

Unit-III : Plot No. M-1, Additional M.I.D.C. Area, Kudavali, Murbad, Maharashtra, Thane-421401, India Unit-IV : Village Bendri, Near Urla Indi. Area Raipur, Chhattisgarh-493661, India

E-mail : info@aplapollo.com Website : www.aplapollo.com

## ANNEXURE

Particulars	Details
Brief details of the Target Entity	<p><b>Name:</b> Apollo Tricoat Tubes Limited  <b>Turnover:</b> Rs. 191.38 Crore (As on 31<sup>st</sup> March, 2018)  <b>Networth:</b> Rs. 112.35 Crore (As on 31<sup>st</sup> March, 2018)</p>
Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length".	<p>The acquisition of shares of the Target Entity would be done by the wholly owned subsidiary of the Company i.e. Shri Lakshmi Metal Udyog Limited. The Company and its wholly owned subsidiary i.e. Shri Lakshmi Metal Udyog Limited are promoted and controlled by Mr. Sanjay Gupta, Executive Chairman &amp; other family members.</p> <p>Mr. Rahul Gupta is son of Mr. Sanjay Gupta, who acquired control over the Target entity pursuant to the completion of Takeover open offer in May 2018.</p> <p>Accordingly, the acquisition of shares by the wholly owned subsidiary i.e. Shri Lakshmi Metal Udyog Limited, would be a Related Party Transaction in terms of the provisions of Section 188 of the Companies Act, 2013 and the same would be executed at arm length basis only.</p>
Industry to which the entity being acquired belongs	<p>The Target entity post to the completion of Takeover open offer, initiated the process to set up the manufacturing facility for manufacturing of tricoated tubes.</p> <p>Shri Lakshmi Metal Udyog Limited, the Acquirer in the present case is in the business of manufacturing of steel tubes and pipes.</p>
Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	<p>The Acquirer as well as the Target Company have significant synergy in business. The acquisition will enable best utilization of this synergy as well as permit it to increase its capacity. It will also enable the acquirer to expand its product basket.</p>
Brief details of any governmental or regulatory approvals required for the acquisition	<p>There are no statutory approvals required for the acquisition.</p>
Indicative time period for completion of the acquisition	<p>The acquisition/investment would trigger the open offer in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and accordingly, the time period for completion of acquisition would be according to the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.</p>



<b>Nature of consideration - whether cash consideration or share swap and details of the same</b>	Cash
<b>Cost of acquisition or the price at which the shares are acquired</b>	The shares would be acquired at a price of Rs. 120 (Rupees One Hundred and Twenty) per share only.
<b>Percentage of shareholding/control acquired and / or number of shares acquired</b>	The Share Purchase Agreement to acquire 80,30,030 Equity Shares and Options attached to 43,00,000 Warrants from Mr. Rahul Gupta will together represent 40.43% of the fully diluted share capital of the Target Entity. Further, Shri Lakshmi Metal Udyog Limited, the Acquirer would make the Takeover Open Offer in terms of the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and if the offer is fully subscribed, then the total shareholding of the Acquirer would be 20,260,030 Equity Shares representing 66.43% of the share capital of the Target Entity on fully diluted basis.
<b>Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)</b>	Mr. Rahul Gupta acquired substantial shares and control over the Target entity in the year May 2018 and since then, Mr. Rahul Gupta set up the manufacturing facility for manufacturing of tricoated tubes in Mallur, Karnataka. The date of incorporation of the Target entity is January 12, 1983. The manufacturing plant of the Target entity is located in Bengaluru, India. The turnover of the Company in financial year 2015-16 was Rs. 17.52 Crore, 2016-17 was Rs. 61.90 Crore and 2017-18 was Rs. 191.38.

