

APL/SECT/DLH/SE: 2020-21

25th January 2021

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 of Board Meeting held on January 25, 2021

- A. In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors of the Company in its meeting held today i.e., Monday, January 25, 2021, which commenced at 12:00 Noon and concluded at 01:45 pm, *inter alia*, considered and approved the Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter and nine months ended 31st December 2020 which had been duly reviewed and recommended by the Audit Committee and took note of the Limited Review Reports issued by the Statutory Auditors on the said results.
- B. Enclosed are the following documents in respect of the items transacted in the meeting:
1. The Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter and nine months ended December 31, 2020
 2. Limited Review Reports on the Un-audited financial results, issued by M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Gurgaon, Statutory Auditors of the Company.
 3. Investors presentation on the financials.
 4. Press release for the financials.
- C. The results are also being published in the newspapers in the prescribed formats.

We request you to kindly take the above information on your record.

Thanking you

Yours faithfully
For APL Apollo Tubes Limited


Deepak CS
Company Secretary

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

Regd. Office : 37, Hargovind Enclave, Vikas Marg, Delhi - 110092, India Tel: +91-11-2237 3437 | Fax : +91-11-2237 3537

Corp. Office : 36, Kaushambi, Near Anand Vihar Terminal, Delhi (NCR) -201010, India Tel: +91-120-4041 400/401/402 | Fax : +91-120-4041 444

Corp. Office : Tapasya Corp. Heights, 4th Floor, Tower-A, Sector-126, Noida, Uttar Pradesh - 201303, India Tel: +91-120 4742 700/701

Unit - 1: A-19, Industrial Area, Sikandrabad, Distt. Bulandshahar, U.P.-203205, India, Unit-2 : 332-338, Alur Village, Perandapolli, Hosur, Tamilnadu-635109, India

Unit - 3 : Plot No. M-1, Additional M.I.D.C. Area, Kudavali, Murbad, Maharashtra, Thane-421401, India, Unit-4 : Village Bendri Near Urla Indl. Area Raipur, Chhattisgarh-493661, India

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

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF APL APOLLO TUBES LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **APL APOLLO TUBES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and nine months ended December 31, 2020 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - (i) The Parent Company
 - APL Apollo Limited
 - (ii) Subsidiary Companies
 - Apollo Metalex Private Limited
 - Shri Lakshmi Metal Udyog Limited
 - Blue Ocean Projects Private Limited
 - APL Apollo Tubes FZE
 - Apollo Tricoat Tubes Limited
 - Apollo Building Products Private Limited
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rupees 503.44 crores and Rupees 1,004.91 crores for the quarter and nine months ended December 31, 2020, total net profit after tax of Rupees 37.89 crores and Rupees 70.66 crores for the quarter and nine months ended December 31, 2020 respectively and total comprehensive income of Rupees 37.84 crores and Rupees 70.48 crores for the quarter and nine months ended December 31, 2020 respectively as considered in the Statement. These interim financial results have been reviewed by other auditors whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.
7. The consolidated unaudited financial results include the unaudited interim financial results and other unaudited financial information of three subsidiaries which have not been reviewed/audited by their auditors and have been approved and furnished to us by the Management, whose interim financial results reflect total revenue of NIL and NIL for the quarter and nine months ended December 31, 2020, total loss after tax of Rupees 0.69 crores and Rupees 1.24 crores for the quarter and nine months ended December 31, 2020 respectively and total comprehensive loss of Rupees 0.69 crores and Rupees 1.24 crores for the quarter and nine months ended December 31, 2020 respectively, as considered in the Statement. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited interim financial results and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 6 and 7 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Management.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Place: New Delhi
Date: January 25, 2021

(RASHIM TANDON)
(Partner)
(Membership No. 95540)
(UDIN: 21095540AAAAAH4676)

APL APOLLO TUBES LIMITED
 Regd. Office: 37, Hargobind Enclave, Vikas Marg, Delhi-110092
 Statement of Consolidated Financial Results for the quarter and nine months ended December 31, 2020
 CIN : L74899DL1986PLC023443

Particulars	(Rupees in crore, except EPS)					
	Quarter ended December 31, 2020	Quarter ended September 30, 2020	Quarter ended December 31, 2019	Nine months ended December 31, 2020	Nine months ended December 31, 2019	Year ended March 31, 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I Revenue from operations						
(a) Sale of products	2,500.21	2,130.30	2,040.45	5,709.74	5,617.87	7,426.52
(b) Other operating income	100.71	71.75	75.40	203.04	216.86	296.71
Total revenue from operations	2,600.92	2,202.05	2,115.85	5,912.78	5,834.73	7,723.23
II Other Income	8.34	10.09	4.68	23.30	13.85	22.18
III Total income (I + II)	2,609.26	2,212.14	2,120.53	5,936.08	5,848.58	7,745.41
IV Expenses						
(a) Cost of materials consumed	2,114.93	1,814.65	1,689.18	4,814.38	4,926.25	6,595.39
(b) Purchase of stock-in-trade (traded goods)	50.79	2.12	16.78	60.96	115.49	116.57
(c) Changes in inventories of finished goods, work-in-progress, rejection and scrap	21.35	30.94	57.34	90.12	(49.93)	(135.67)
(d) Employee benefits expense	35.82	33.44	38.15	97.91	103.63	142.19
(e) Finance costs	14.69	15.88	28.04	51.74	83.18	107.27
(f) Depreciation and amortisation expense	26.24	25.08	26.23	75.23	70.42	95.91
(g) Other expenses	145.92	151.82	153.89	377.15	381.81	527.41
Total expenses	2,409.74	2,073.93	2,009.61	5,567.49	5,630.85	7,449.07
V Profit before tax (III-IV)	199.52	138.21	110.92	368.59	217.73	296.34
VI Tax expense :						
(a) Current tax (net)	53.14	33.96	22.86	92.99	46.04	66.94
(b) Deferred tax charge / (credit) (net)	(2.40)	1.48	4.81	1.40	(23.52)	(25.31)
(c) Income tax / deferred tax (credit) / expense of earlier year	-	0.14	-	0.90	-	(1.29)
Total tax expense	50.74	35.58	27.67	95.29	22.52	40.34
VII Profit for the period / year (V-VI)	148.78	102.63	83.25	273.30	195.21	256.00
VIII Other Comprehensive Income						
Add : (less) items that will not be reclassified to profit or loss						
(a) Equity instruments through other comprehensive income	-	-	-	-	2.20	2.20
(b) Remeasurement of post employment benefit obligation	(0.64)	(0.73)	(0.07)	(1.94)	(0.19)	(2.13)
(c) Income tax relating to (b) above	0.16	0.19	0.02	0.49	0.05	0.53
Other Comprehensive Income for the period / year	(0.48)	(0.54)	(0.05)	(1.45)	2.06	0.60
IX Total Comprehensive Income for the period / year (VII+VIII)	148.30	102.09	83.20	271.85	197.27	256.60
X Profit for the period / year attributable to :						
- Owner of the Company	132.04	92.12	74.26	240.94	181.15	237.97
- Non-controlling interests	16.74	10.51	8.99	32.36	14.06	18.03
	148.78	102.63	83.25	273.30	195.21	256.00
XI Other Comprehensive Income for the period / year attributable to :						
- Owner of the Company	(0.45)	(0.49)	(0.05)	(1.37)	2.06	0.61
- Non-controlling interests	(0.03)	(0.05)	-	(0.08)	-	(0.01)
	(0.48)	(0.54)	(0.05)	(1.45)	2.06	0.60
XII Total Comprehensive Income for the period / year attributable to :						
- Owner of the Company	131.59	91.63	74.21	239.57	183.21	238.58
- Non-controlling interests	16.71	10.46	8.99	32.28	14.06	18.02
	148.30	102.09	83.20	271.85	197.27	256.60
XIII Paid up Equity Share Capital (Face value of Rupees 2 each - Refer note 6)	24.96	24.93	24.87	24.96	24.87	24.87
XIV Other equity						1,331.28
XV Earnings per equity share (EPS) of Rupees 2 each # :						
(a) Basic (In Rupees)	10.59	7.40	6.76	19.35	16.02	19.43
(b) Diluted (In Rupees)	10.54	7.36	6.70	19.27	15.88	19.26

EPS is not annualised for the quarter and nine months ended December 31, 2020, quarter ended September 2020, and quarter and nine months ended December 31, 2019. (Refer note 6)



Notes to the Statement of Consolidated Financial Results :

1. The above Consolidated Financial Results along with the comparatives have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. The above Consolidated Financial Results for the quarter and nine months ended December 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 25, 2021.
2. The Statutory Auditors have carried out the 'Limited Review' of the Unaudited Consolidated Financial Results of the Group for the quarter and nine months ended December 31, 2020 as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. During the nine months ended December 31, 2019, the Company completed the acquisition of a production unit (located at Chegunta, Hyderabad), of M/s Taurus Value Steel & Pipes Private Limited, a subsidiary of M/s Shankara Building Products Limited, Bangalore. The acquisition was approved by the Board of Directors of the Company in their meeting held on April 12, 2019 and completed on May 27, 2019.

Accordingly, figures for nine months ended December 31, 2020 are not comparable to nine months ended December 31, 2019.

4. The Board of Directors of APL Apollo Tubes Limited ('the Company') in previous year considered and approved the acquisition / investment by Shri Lakshmi Metal Udyog Limited ('SLMUL'), a wholly owned subsidiary of the Company of Apollo Tricoat Tubes Limited ('Target Entity'). Apollo Tricoat Tubes Limited, on June 17, 2019, became a subsidiary of SLMUL.

Accordingly, figures for nine months ended December 31, 2020 are not comparable to nine months ended December 31, 2019.

5. The Group had closed all its manufacturing plants and offices with effect from March 24, 2020 following countrywide lockdown due to Covid-19. Subsequent to the year end, the Group had resumed its operations at its Raipur plant with effect from April 22, 2020. All the remaining plants and office of the Group have resumed operations gradually over a period of time adhering to the safety norms prescribed by the Government of India.

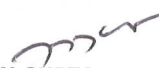
The Group has assessed the impact of Covid-19 pandemic on its business operations and has considered relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, goodwill, inventories, and trade receivables. Based on current estimates, the Group expects the carrying amount of these assets will be recovered. The Group will continue to closely monitor any material changes to future economic conditions.

Accordingly, figures for nine months ended December 31, 2020 are not comparable to nine months ended December 31, 2019.

6. The Board of Directors of APL Apollo Tubes Limited ('Company') in its meeting held on October 28, 2020, approved a proposal for sub-division of the face value of the equity shares of the Company from Rupees 10 per equity share to Rupees 2 per equity share i.e. 1 equity share to be split into 5 equity shares. During the quarter ended December 31, 2020, subsequent to the approval of above proposal by the shareholders of the Company, w.e.f. December 16, 2020 the sub-division became effective. Accordingly, Earnings per equity share (EPS) has been adjusted to reflect the above share split for all periods / year presented.
7. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
8. The Group is in business of Manufacturing of ERW steel tube and pipes and hence only one reportable operating segment as per 'Ind-AS 108 : Operating Segments'.

For APL APOLLO TUBES LIMITED

Ghaziabad
January 25, 2021


SANJAY GUPTA
CHAIRMAN AND MANAGING DIRECTOR



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF APL APOLLO TUBES LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **APL APOLLO TUBES LIMITED** ("the Company"), for the quarter and nine months ended December 31, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



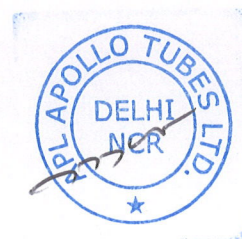
Place: New Delhi
Date: January 25, 2021

(RASHIM TANDON)
(Partner)
(Membership No. 95540)
(UDIN: 21095540AAAAAG8748)

APL APOLLO TUBES LIMITED
 Regd. Office : 37, Hargobind Enclave, Vikas Marg, Delhi - 110092
 Statement of Standalone Financial Results for the quarter and nine months ended December 31, 2020
 CIN : L74899DL1986PLC023443

Particulars	(Rupees in crore, except EPS)					
	Quarter ended December 31, 2020	Quarter ended September 30, 2020	Quarter ended December 31, 2019	Nine months ended December 31, 2020	Nine months ended December 31, 2019	Year ended March 31, 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I Revenue from operations						
(a) Sale of products	1,738.16	1,528.24	1,545.70	4,028.17	4,380.77	5,704.40
(b) Other operating income	63.43	53.35	57.56	138.71	167.55	226.41
Total revenue from operations	1,801.59	1,581.59	1,603.26	4,166.88	4,548.32	5,930.81
II Other Income	12.12	12.41	6.81	30.90	19.15	27.23
III Total income (I + II)	1,813.71	1,594.00	1,610.07	4,197.78	4,567.47	5,958.04
IV Expenses						
(a) Cost of materials consumed	1,312.33	1,181.83	1,200.53	3,063.98	3,584.09	4,709.18
(b) Purchase of stock-in-trade (traded goods)	265.69	180.73	142.86	554.08	459.22	601.20
(c) Changes in inventories of finished goods, work-in-progress, rejection and scrap	23.64	34.71	42.17	73.65	(16.44)	(73.60)
(d) Employee benefits expense	21.33	19.51	23.94	57.81	69.52	92.63
(e) Finance costs	13.83	13.75	20.27	42.92	65.33	82.14
(f) Depreciation and amortisation expense	17.55	16.63	19.20	50.25	52.42	68.91
(g) Other expenses	84.53	89.21	105.09	220.01	268.25	363.79
Total expenses	1,738.90	1,536.37	1,554.06	4,062.70	4,482.39	5,844.25
V Profit before tax (III-IV)	74.81	57.63	56.01	135.08	85.08	113.79
VI Tax expense :						
(a) Current tax (net)	19.20	14.93	14.87	34.19	22.08	26.35
(b) Deferred tax charge / (credit) (net)	(0.14)	(0.10)	(1.11)	0.58	(26.63)	(26.01)
(c) Income tax / deferred tax (credit) / expense of earlier year	-	-	-	0.75	-	(1.56)
Total tax expense / (credit)	19.06	14.83	13.76	35.52	(4.55)	(1.22)
VII Profit for the period / year (V-VI)	55.75	42.80	42.25	99.56	89.63	115.01
VIII Other Comprehensive Income						
Add : (less) items that will not be reclassified to profit or loss						
(a) Remeasurement of post employment benefit obligation	(0.41)	(0.41)	(0.06)	(1.23)	(0.17)	(1.52)
(b) Income tax relating to above item	0.11	0.10	0.01	0.31	0.04	0.38
Other Comprehensive Income for the period / year	(0.30)	(0.31)	(0.05)	(0.92)	(0.13)	(1.14)
IX Total Comprehensive Income for the period / year (VII+VIII)	55.45	42.49	42.20	98.64	89.50	113.87
X Paid up Equity Share Capital (Face value of Rupees 2 each - Refer note 5)	24.96	24.93	24.87	24.96	24.87	24.87
XI Other equity						1,250.37
XII Earnings per equity share (EPS) of Rupees 2 each # :						
(a) Basic (In Rupees)	4.47	3.44	3.43	8.00	7.36	9.39
(b) Diluted (In Rupees)	4.45	3.42	3.40	7.96	7.29	9.31

EPS is not annualised for the quarter and nine months ended December 31, 2020, quarter ended September 2020, and quarter and nine months ended December 31, 2019. (Refer note 5)



Notes to the Statement of Standalone Financial Results :

1. The above Standalone Financial Results along with the comparatives have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. The above Standalone Financial Results for the quarter and half year ended September 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 25, 2021.
2. The Statutory Auditors have carried out the 'Limited Review' of the Unaudited Standalone Financial Results of the Company for the quarter and nine months ended December 31, 2020 as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. During the nine months ended December 31, 2019, the Company completed the acquisition of a production unit (located at Chegunta, Hyderabad), of M/s Taurus Value Steel & Pipes Private Limited, a subsidiary of M/s Shankara Building Products Limited, Bangalore. The acquisition was approved by the Board of Directors of the Company in their meeting held on April 12, 2019 and completed on May 27, 2019.

Accordingly, figures for nine months ended December 31, 2020 are not comparable to nine months ended December 31, 2019.

4. The Company had closed all its manufacturing plants and offices with effect from March 24, 2020 following countrywide lockdown due to Covid-19. Subsequent to the year end, the Company had resumed its operations at its Raipur plant with effect from April 22, 2020. All the remaining plants and office of the Company have resumed operations gradually over a period of time adhering to the safety norms prescribed by the Government of India.

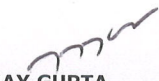
The Company has assessed the impact of Covid-19 pandemic on its business operations and has considered relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, inventories, and trade receivables. Based on current estimates, the Company expects the carrying amount of these assets will be recovered. The Company will continue to closely monitor any material changes to future economic conditions.

Accordingly, figures for nine months ended December 31, 2020 are not comparable to nine months ended December 31, 2019.

5. The Board of Directors of APL Apollo Tubes Limited ('Company') in its meeting held on October 28, 2020, approved a proposal for sub-division of the face value of the equity shares of the Company from Rupees 10 per equity share to Rupees 2 per equity share i.e. 1 equity share to be split into 5 equity shares. During the quarter ended December 31, 2020, subsequent to the approval of above proposal by the shareholders of the Company, w.e.f. December 16, 2020 the sub-division became effective. Accordingly, Earnings per equity share (EPS) has been adjusted to reflect the above share split for all periods / year presented.
6. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
7. The Company is in business of Manufacturing of ERW steel tube and pipes and hence only one reportable operating segment as per 'Ind-AS 108 : Operating Segments'.

For APL APOLLO TUBES LIMITED

Ghaziabad
January 25, 2021


SANJAY GUPTA
CHAIRMAN AND MANAGING DIRECTOR



APL **APOLLO**

Q3 **FY21 Results**

Safe Harbour

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Contents

Q3 FY'21 at a glance

Porter's 5 Forces

Financial Performance

Market Creation

Core Competence

Key Takeaways

ESG Initiatives

Q3 FY'21 at a Glance



486k ton

Sales Volume
1% yoy increase



₹ 26.0 Bn

Revenue
23% yoy increase



₹ 2.3 Bn

EBITDA
45% yoy increase



₹ 4,780

EBITDA/ ton
43% yoy increase



₹ 147 Mn*

Interest Cost
48% yoy decline



₹ 1.3 Bn

Net profit
78% yoy increase



₹ 8.5 Bn

Op. Cash flow
FY20 was Rs5.1bn



₹ 2 Bn

Net Debt
FY20 was ₹7.9 Bn



24.8%

ROCE (9MFY21)
FY20 was 18.4%



8 Days

Net Working Capital (9MFY21)
FY20 was 25 Days



0.1x

Net Debt/Equity
FY20 was 0.6x



23.2%

ROE (9MFY21)
FY20 was 21.2%

*Interest cost does not include interest income of Rs64mn

Note: Sales Volume and Financials are on consolidated basis and Net Profit is after Minority Interest

Q3FY'21 Highlights

Strong Rebound

- Solid pull demand backed by new construction and renovation across markets
- Increased penetration in smaller towns and a higher rural reach
- Market share sustained at 50% due to supply chain disruptions with smaller peers
- Secondary sales rebounded strongly following the easing of lockdown

Emerged Stronger

- Continuous focus on value addition / De-commoditizing of product portfolio
- Investments into enhancing brand equity lifted sale premium
- Net working capital cycle further improved to 8days in 9MFY21 vs 25 days in FY20
- Net debt declined to Rs2bn in 9MFY21 from Rs7.9bn in FY20 (D/E at 0.1x now)

Future Ready

- Target to ramp-up capacity utilization as demand scenario further improves in FY22/23
- Given strong rebound in 2Q-3QFY21, Capex at new Raipur facility accelerated
- Color coated tubes and heavy structural tubes would be new addition to product portfolio
- Capex to be funded from internal cash flows

APL Apollo at a Glance

1

Leading structural steel tube brand

Core Business

14

Brands

Five Product Categories

50%

Market Share*

2.6

Million Ton

Structural Steel Capacity

8 Patents

10 Plants

2,124 Employees

800+ Distributors

1,500+ Products

*Market share is for 9MFY21



Our Brands

Product Category*

Apollo Structural

Structural steel construction material:
Residential, Commercial, Infrastructure

Fabritech, Build, DFT, Column, FireReady, Agri

Apollo Z

Galvanized structural steel construction material:
Residential, Commercial, Infrastructure

CoastGuard

Apollo Galv

Galvanized steel tubes:
Residential, Commercial, Agri, Industrial

Green, Bheem, Z+

Apollo Tricoat

Home improvement products

Plank, Signature, Elegant, Chaukhat

75% Building Material

20% Infrastructure

5% Others

*Apollo Structural -Hollow Section & Black Round, Apollo Z- Pre Galvanized (GP), Apollo Galv – Galvanized (GI)

Product Category – Application & Sales Mix*

Product Category	Sales Volume Mix (%)	Applications
Apollo Structural	63%	
Residential Buildings & Independent Homes	25%	Structural, Piling, Sheds, Handrails, Gates, Fencing, Balcony Grills, Staircase, Light Structures
Commercial Buildings, Warehouses & Factories	14%	
Infrastructure	20%	Structural for Metros, Airports, Stadiums, Stations etc
Industrial & agriculture	4%	Heavy Equipment
Apollo Z	18%	
Residential Buildings & Independent Homes	13%	Galvanized structural steel tubes for coastal markets
Commercial Buildings, Warehouses & Factories	5%	
Apollo Tricoat	15%	
Residential Buildings and Independent Homes	12%	Door Frame, Staircase Steps, Furniture, Plank, Designer Tubes, Fencing, Electrical Conduits
Commercial Buildings	3%	
Apollo Galv	4%	
Commercial Buildings	3%	Galvanized Structural, Greenhouse Structures, Plumbing, Firefighting
Industrial & agriculture	1%	
Total	100%	

50% Building Material Housing

25% Building Material Commercial

20% Infrastructure

5% Others (Industrial & Agri)

*As per 9MFY21 Sales Volume

PORTER'S 5 FORCES

Porter's Five Forces

Threat of Entry

- Scale of 2.5m ton capacity; wide gap between No. 2 Player
- Vast distribution network (access to 800+ distributors, 50,000 retailers, 2lacs fabricators)
- Technology advantage (DFT, ILG)
- Lowest cost producer (highest profitability in the sector)
- Product range (1,500+ SKUs)
- Lead time to distributors (48hrs delivery)
- Financial strength (doubling capacity every 3rd year without debt)
- Unmatched brand strength

Bargaining power of suppliers

- Company buys 2% of Indian steel consumption and 10% of Indian HR coil consumption
- Amongst Top 3 customers for large steel producers
- Company's steel buying price is minimum in structural steel tubing industry

Industry Rivalry

- APL Apollo 50% market share
- Player 2 - 9% market share (under insolvency)
- Player 3 - 9% market share (focus on water transportation products)
- Player 4 - 7% market share (strong player but small in Parent's overall scheme of things)
- Player 5 - 7% market share (focused in East market; regional player)
- Player 6 - 6% market share (high debt)
- Player 7 - 3% market share (high debt)
- Player 8 - 2% market share (poor profitability)
- Others - 7%

Bargaining power of distributors

- 40% market share in structural steel tubing industry
- Monopoly products (new innovative products)
- APL Apollo distributors can churn capital upto 8x in a year which helps them generate high ROCE

Threat of substitute

- No product can replace structural strength of steel

FINANCIAL PERFORMANCE

De-commoditizing Product Portfolio

Value added products contribute 60% of total sales

Product Category	Application	Q1FY21			Q2FY21			Q3FY21			Annual Capacity (k Ton)
		Mix (%)	Volume (k Ton)	EBITDA/Ton (Rs)	Mix (%)	Volume (k Ton)	EBITDA/Ton (Rs)	Mix (%)	Volume (k Ton)	EBITDA/Ton (Rs)	
Apollo Structural	Heavy Structures	4	9	3,900	4	21	4,200	6	27	5,000	200
	Light Structures	4	8	3,600	13	63	4,000	17	83	5,100	430
	General Structures	50	119	1,143	47	226	1,382	40	194	1,993	1,000
Apollo Z	Rust-proof structures	24	56	5,300	18	85	6,236	17	82	7,654	450
	Rust-proof sheet	0	0	4,556	1	6	4,556	1	6	4,760	50
Apollo Tricoat	Home improvement	13	32	5,795	13	61	6,133	15	73	7,872	350
Apollo Galv	Agri/Industrial	6	13	3,491	4	18	5,655	4	21	6,950	120
Total		100	238	2,979	100	481	3,515	100	486	4,780	2,600

Standard products with EBITDA less than Rs 2,000/ Ton

Value added products with EBITDA more than Rs 4,000/Ton

De-commoditizing Product Portfolio

Gradually improved
our value added
product contribution

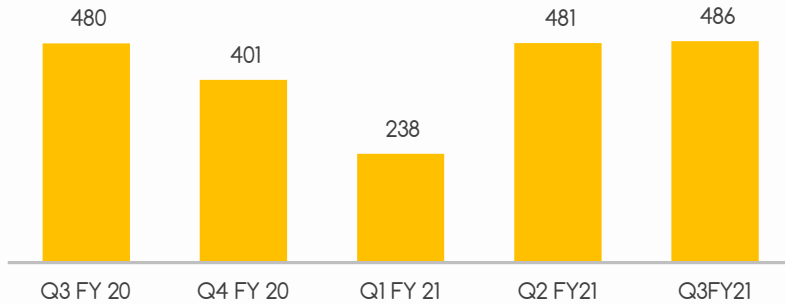
Product Category Application		FY16			FY17			FY18			FY19			FY20		
		Mix	Volume	EBITDA	Mix	Volume	EBITDA	Mix	Volume	EBITDA	Mix	Volume	EBITDA	Mix	Volume	EBITDA
		(%)	(k Ton)	(Rs)	(%)	(k Ton)	(Rs)	(%)	(k Ton)	(Rs)	(%)	(k Ton)	(Rs)	(%)	(k Ton)	(Rs)
Apollo Structural	Heavy Structures	6	52	3,900	5	51	3,900	5	52	3,900	6	80	3,900	6	101	4,000
	Light Structures	3	31	3,500	5	43	3,800	6	70	3,800	8	108	3,800	5	87	3,800
	General Structures	60	536	2,117	57	531	2,310	58	656	2,147	58	777	1,735	55	898	1,361
Apollo Z	Rust-proof structures	18	159	5,280	20	183	5,722	21	241	5,691	21	279	5,564	20	333	5,021
	Rust-proof sheet	0	0	0	1	6	5,000	0	0	5,000	0	3	5,000	0	2	5,000
Apollo Tricoat	Home improvement	0	0	0	0	0	0	0	0	0	0	0	0	7	113	6,589
Apollo Galv	Agri/Industrial	13	115	4,590	13	117	4,925	10	111	4,880	7	92	4,362	6	99	3,952
Total		100	894	3,151	100	932	3,482	100	1,130	3,355	100	1,339	3,018	100	1,633	2,923

Standard products with EBITDA
less than Rs 2,000/ Ton

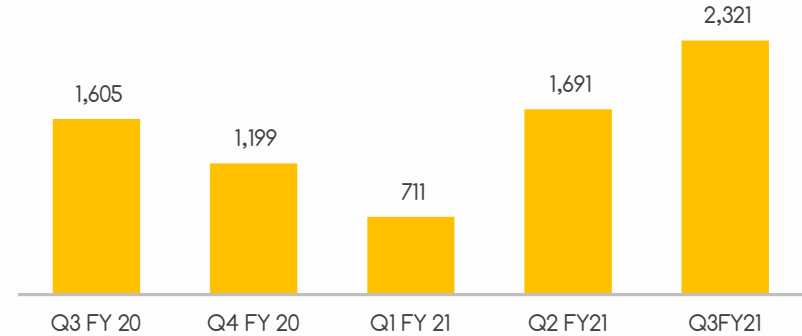
Value added products with
EBITDA more than Rs 4,000/Ton

Growing Strength to Strength

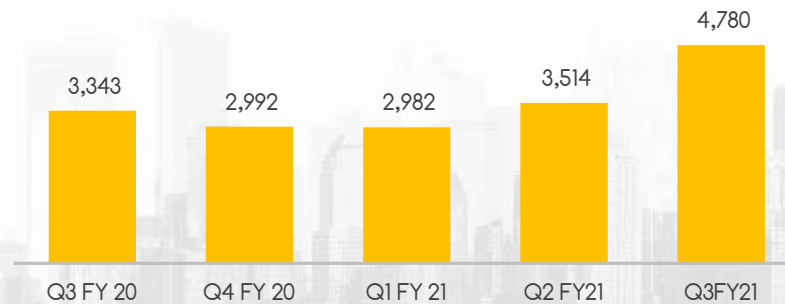
Volume ('000 tons)



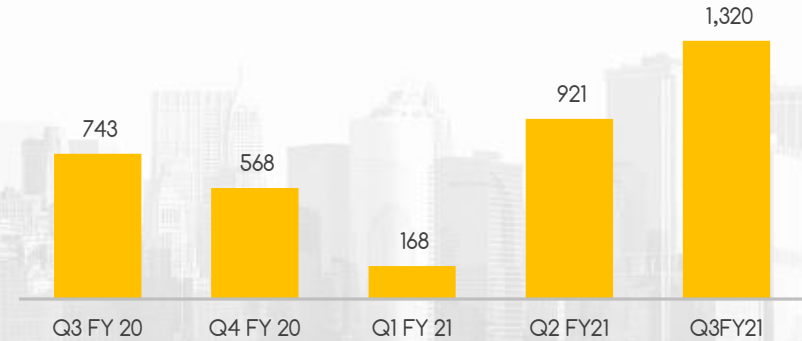
EBITDA (Rsm)



EBITDA/Ton (Rs)



Net Profit (Rsm)



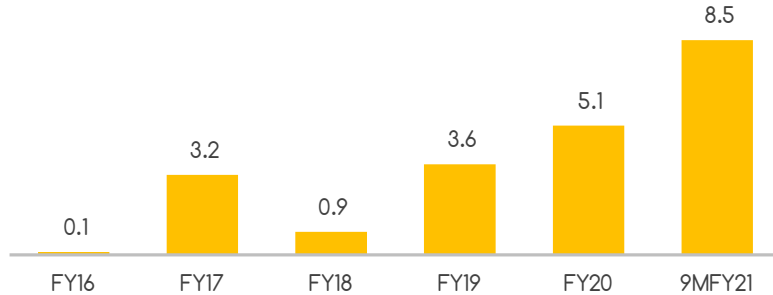
1. Q1FY21 sales volume figures are for period '22 April 2020 to 30 June 2020' as the company had shut its operations in April 2020 owing to COVID 19 pandemic

2. Sales Volume and Financials are on consolidated basis and Net Profit is after Minority Interest

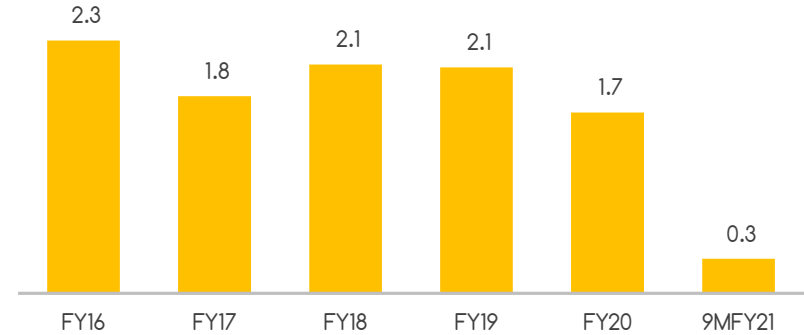
3. EBITDA has been calculated without other income

Growing Strength to Strength

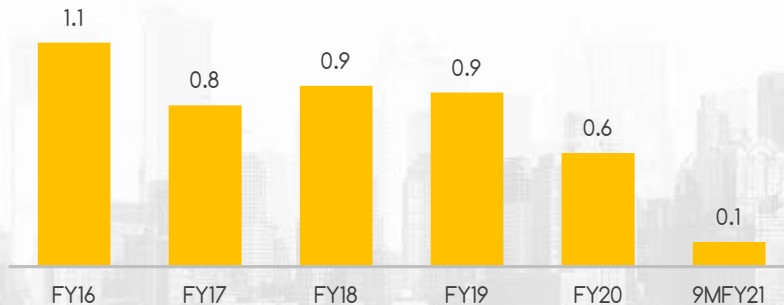
Operating Cash flow (Rs Bn)



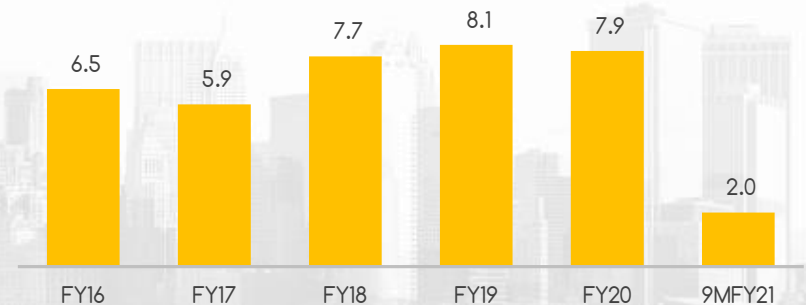
Debt/ EBITDA (x)



Debt/ Equity (x)



Net Debt (Rs Bn)

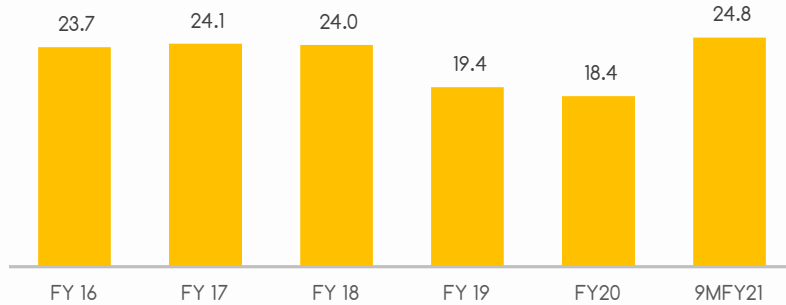


Note : Debt/EBITDA and Debt/Equity ratios are calculated on net debt basis

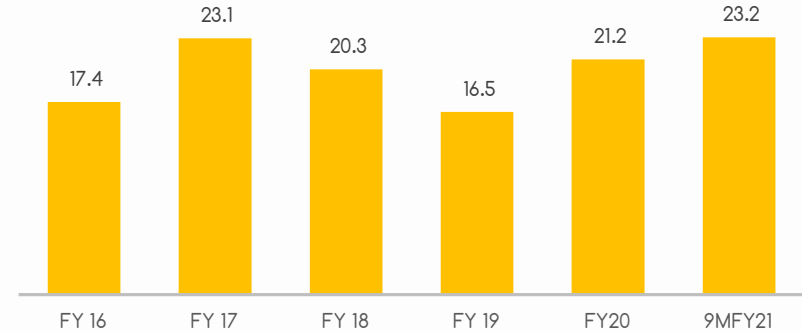
9MFY21 revenue is for period '22 April 2020 to 31 Dec 2020' as the company had shut its operations in April 2020 owing to COVID 19 pandemic

Growing Strength to Strength

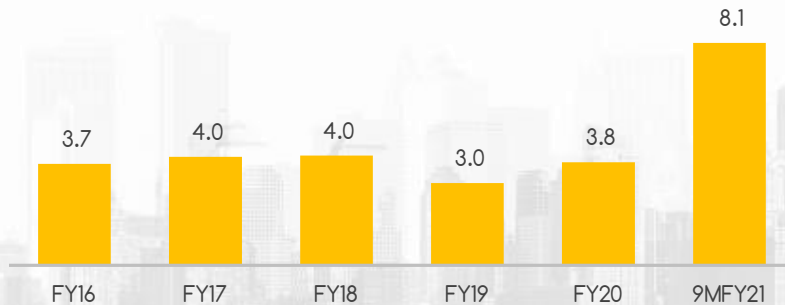
ROCE (%) *



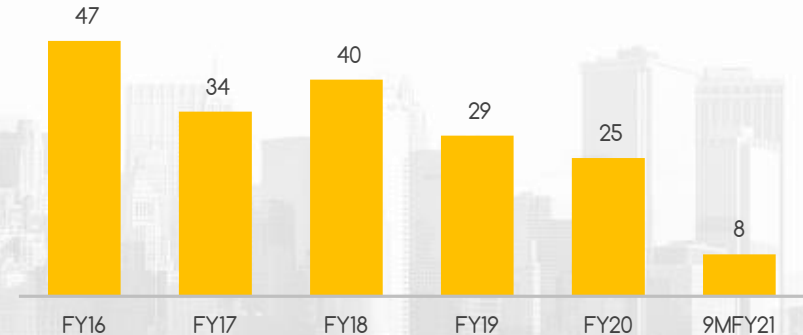
ROE (%) **



Interest Coverage (x)



Net Working Capital (Days)



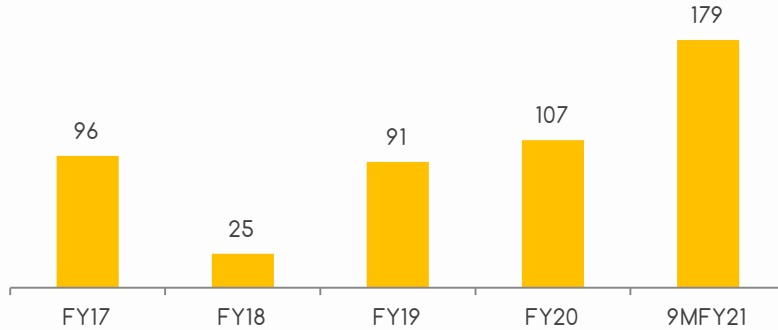
*ROCE calculated on capital employed as Total Assets less Current Liabilities less Surplus Cash

**ROE calculated on Net Profit before Minority Interest

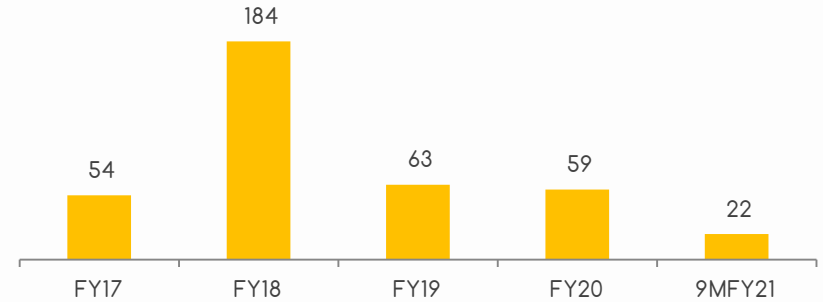
***Net Working Cycle has been calculated including Other Current Assets & Liabilities

Growing Strength to Strength

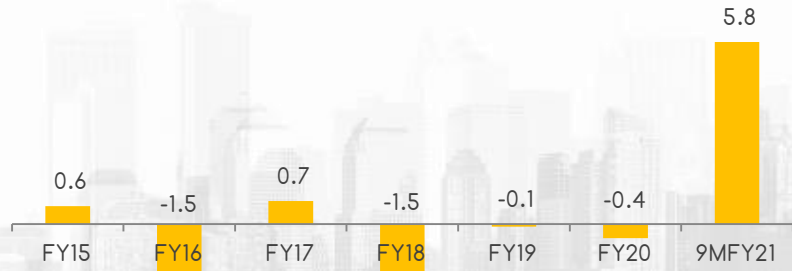
Operating cash flow to EBITDA (%)



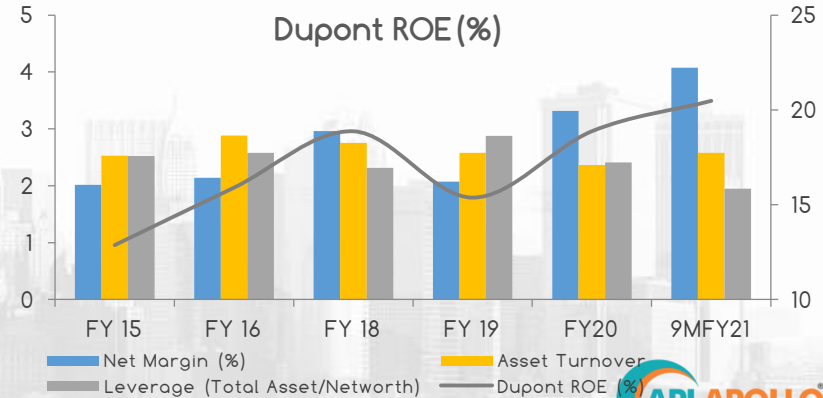
Capex to operating cash flow (%)



Free cash flow (Rs Bn)



Dupont ROE (%)



Profit & Loss Statement (Consolidated)

Particulars (Rsm)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY 20	Q1 FY21	Q2 FY21	Q3 FY21	9MFY21
Sales Volume (k Ton)	389	364	480	401	1,633	238	481	486	1,205
Net Revenue	20,716	16,473	21,159	18,885	77,232	11,098	22,021	26,009	59,128
Raw Material Costs	17,951	14,334	17,633	15,867	65,785	9,308	18,477	21,871	49,656
Employee Costs	301	354	382	386	1,422	287	334	358	979
Other expenses	1,214	1,065	1,539	1,433	5,251	793	1,518	1,459	3,770
EBITDA	1,250	720	1,605	1,199	4,774	711	1,691	2,321	4,723
EBITDA/ton (Rs)	3,217	1,978	3,343	2,992	2,923	2,982	3,514	4,780	3,921
Other Income	46	46	47	83	222	49	101	83	233
Interest Cost	283	269	280	241	1,073	212	159	147	518
Depreciation	202	240	262	255	959	239	251	262	752
Tax	289	-341	277	178	403	90	356	507	953
Net Profit	521	598	833	608	2,560	219	1,026	1,488	2,733
Minority Interest (MI)	0	51	90	40	180	51	105	167	323
Net Profit (after MI)	521	547	743	568	2,380	168	921	1,320	2,409

Note 1: The Q1FY21 sales volume figures are for period '22 April 2020 to 30 June 2020' as the company had shut its operations in April 2020 owing to COVID 19 pandemic

Note 2: Sales Volume and Financials are on consolidated basis and Net Profit is after Minority Interest

Balance Sheet & Cash Flow Statement (Consolidated)

Balance Sheet - Assets (Rsm)	9MFY21	FY20
Cash & Bank Balance	3,309	456
Receivables	910	4,764
Inventories	5,714	7,842
Other current assets	1,561	1,422
Fixed assets (net)	15,355	14,839
Right to use Assets	956	971
Investments	14	15
Other assets/goodwill	2,830	2,352
Total Assets	30,649	32,660
Balance Sheet - Liabilities (Rsm)	9MFY21	FY20
Trade payables	5,897	7,644
Other current liabilities	433	309
Debt	5,288	8,338
Others	2,108	1,854
Minority Interest/Provision	1,232	954
Shareholders' funds	15,691	13,562
Total Equity & Liabilities	30,649	32,660

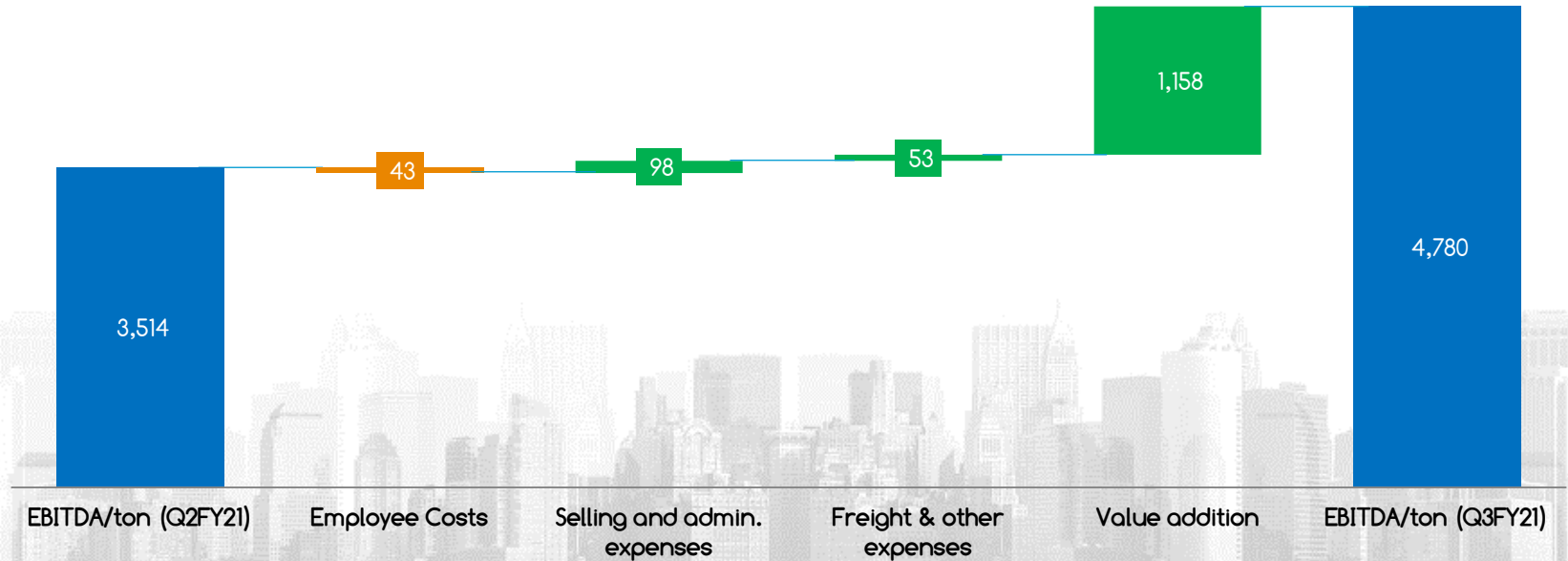
Cash Flow Statement (Rsm)	9MFY21	FY20
EBITDA	4,723	4,783
Accounts receivables	3,853	847
Inventory	2,123	284
Other WC changes	-1,773	-215
Tax	-696	-816
Other Income	234	212
Operating cash flow	8,465	5,095
Capex	-1,827	-3,014
Investments	-341	-1,335
Interest	-517	-1,193
Free cash flow	5,779	-447
Dividend payments	0	-411
Capital increase*	124	1,775
Tricoat Consolidation	0	-695
Net change in cash flow	5,902	222
Net debt beginning	-7,881	-8,104
Net debt end	-1,979	-7,881

9MFY21 revenue is for period '22 April 2020 to 31 Dec 2020' as the company had shut its operations in April 2020 owing to COVID 19 pandemic

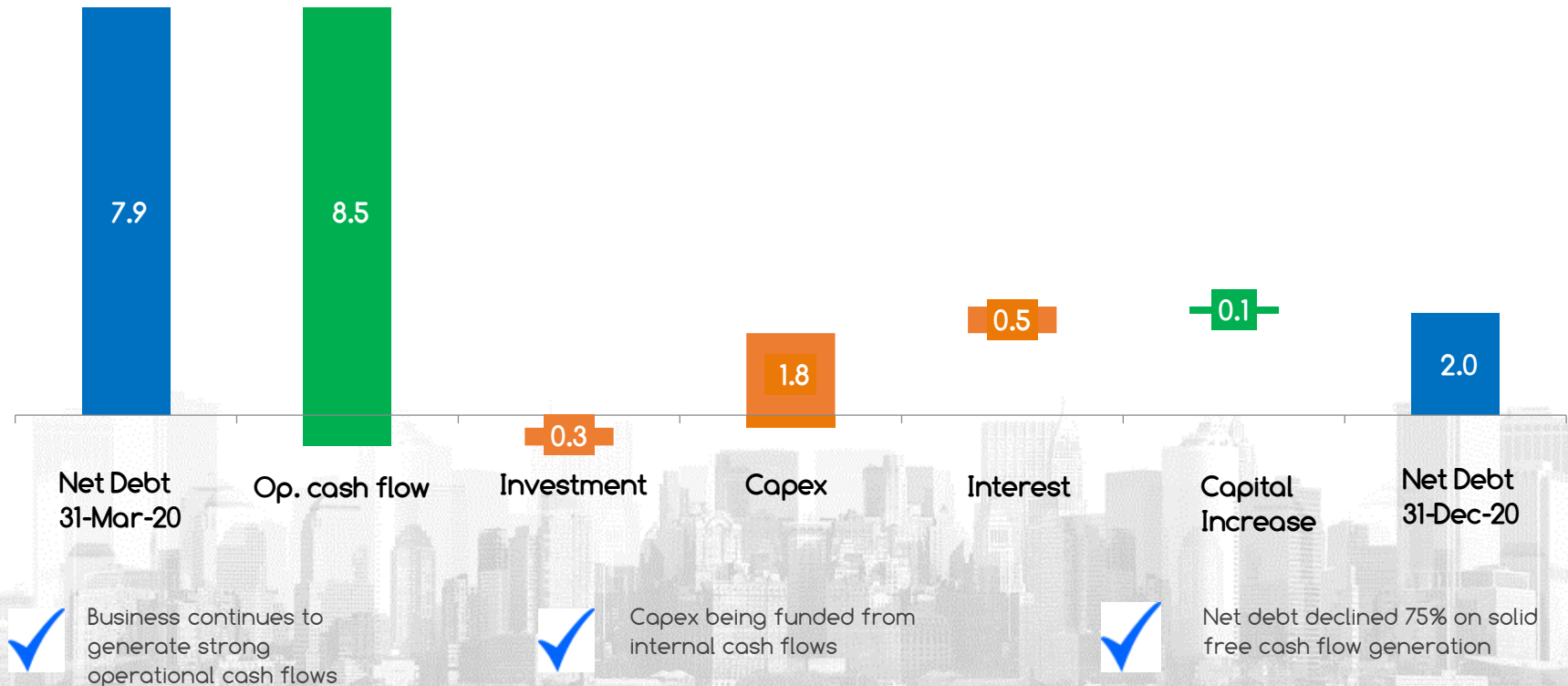
*Employee Stock Option Plan

Quarterly EBITDA Bridge (Rs/ton)

- 1. Value Addition
- 2. Pull Demand/No Sales Discounts
- 3. Cost Control
- 4. Brand Premium

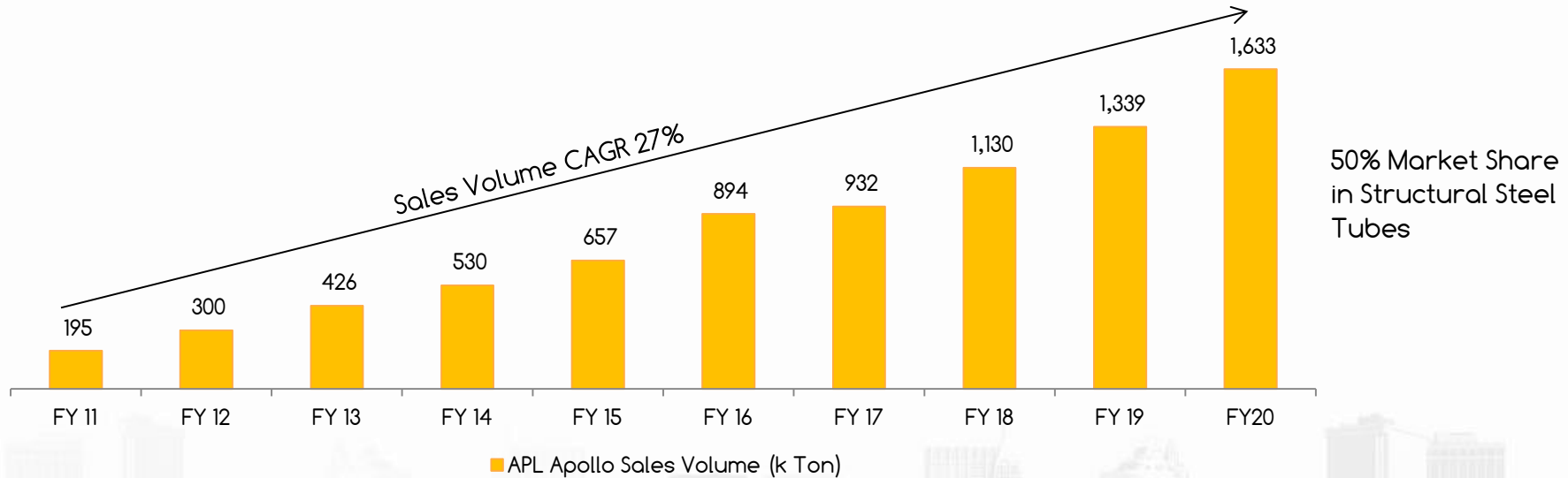


Consolidated Cash Flow Bridge (Rs Bn)



Market Creation

Growing Strength to Strength



- Developed Structural steel tube market in India
- Focused on steel strength and building material application
- Innovation of new sizes and shapes
- Introduction of new applications

How have we created market..

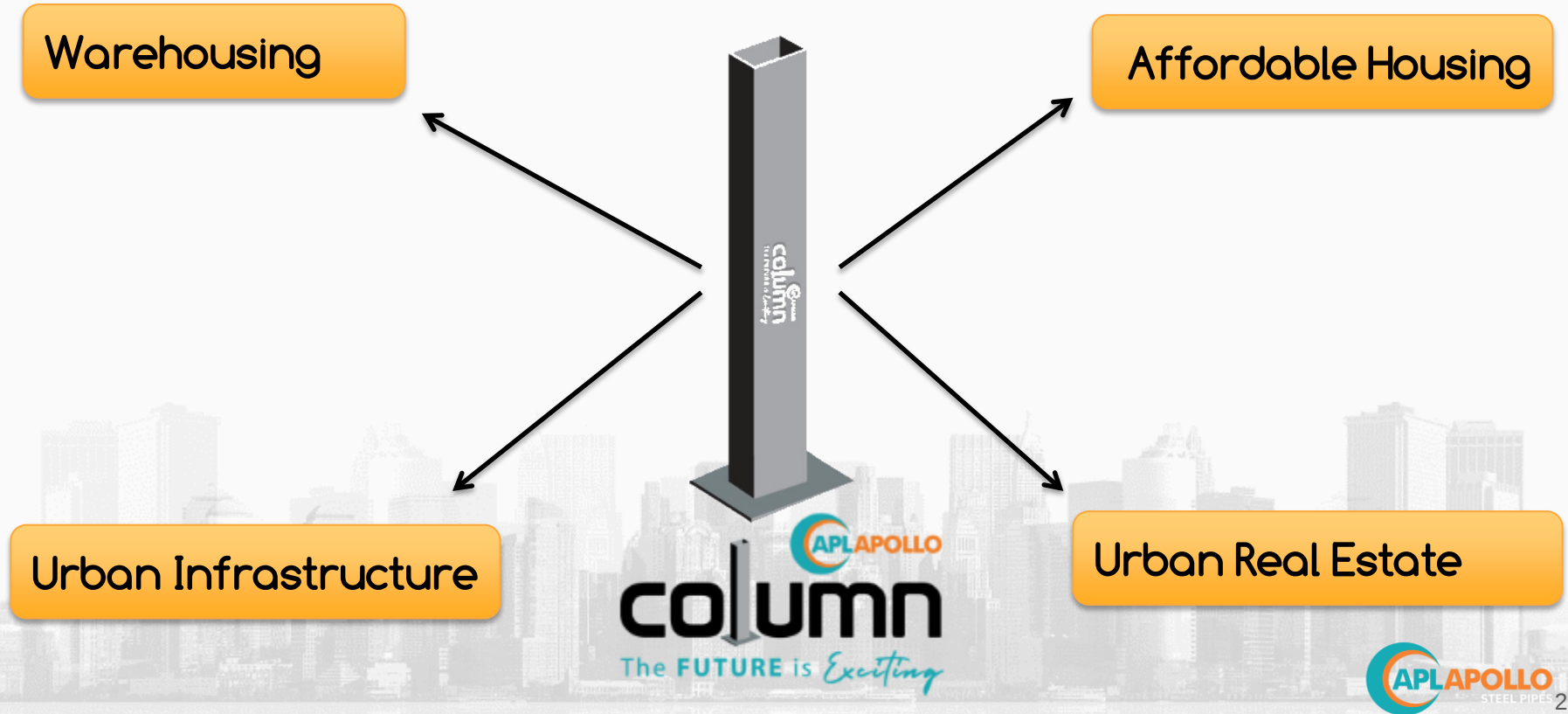
Conventional Construction Products	Applications	Why Structural Steel Tube replaces these products?
Steel Angle/Channels	Structural support, Towers infrastructure	Uniform Strength, Lower steel consumption
Wood	Furniture, Door Frames, Planks	Cost Effective, Termite Proof, Environmental Friendly
Aluminum Profiles	Facades & Glazing	Cost Effective, Higher Strength
Reinforced Cement Concrete	Construction of Buildings	Faster Construction Environmental Friendly
Fabricated Metal Sheet	Pre-Engineered Steel Buildings	Lower steel consumption Reduces overall project cost

How to replace the conventional products ??

Light Structures/Low Load Bearing

Heavy Structures/High Load Bearing

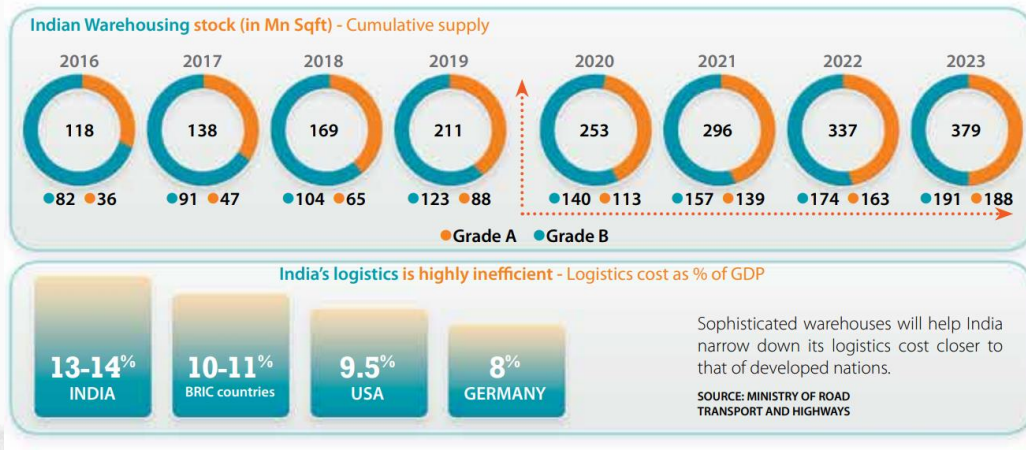
New Opportunities to revolutionise construction industry



Structure Steel Tube: Revolutionise the Construction Industry

Warehousing

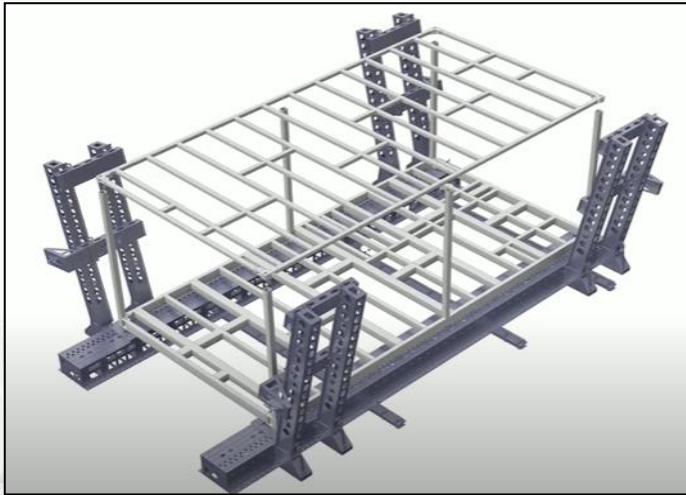
- JLL projects that there will be 344 mn sq. ft of warehousing space in India by 2022
- Logistics, engineering, auto and ancillaries, e-commerce, FMCG, retail and telecom, and white goods have remained the biggest demand drivers.



Structure Steel Tube: Revolutionise the Construction Industry

Affordable Housing

- Trends for affordable housing with low cost & faster completion is picking in India
- Modular Building will be the future construction methodology
- Modular steel structures are constructed in-house with final assembly occurring on-site, where the steel modules are stacked and connected together



Modular Building Concept

Structure Steel Tube: Revolutionise the Construction Industry

Urban Infrastructure

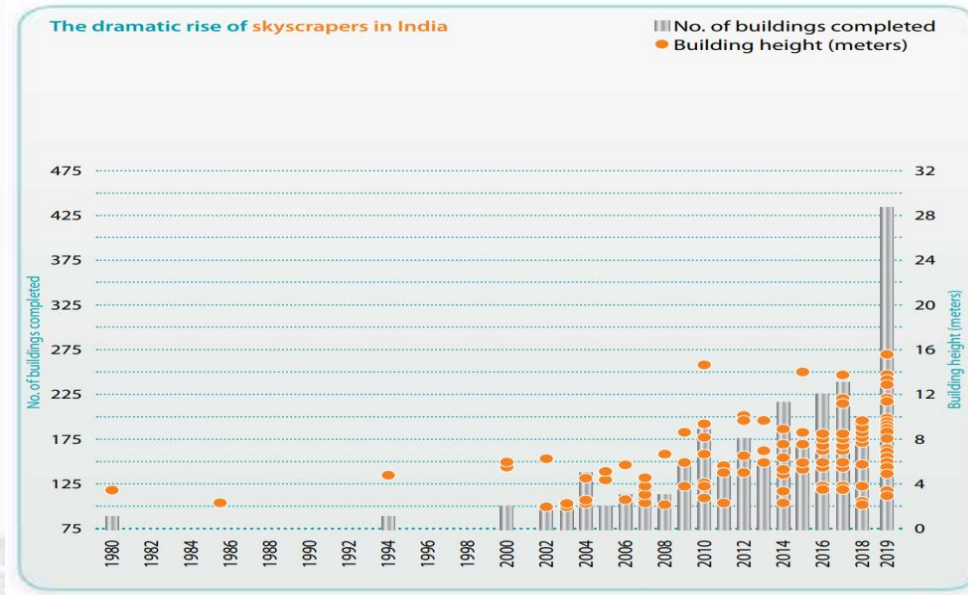
- Govt plans to start 100 additional airports by 2024
- To invest Rs19,000 crore in upgrading airport infrastructure in the country, especially in smaller cities over next three years



Structure Steel Tube: Revolutionise the Construction Industry

Urban Real Estate

- India's vertical growth pushed high-rises buildings with G+20 floors or more to record highs in 2019
- Government has formed a panel to look into the upward revision of FSI norms in all major cities





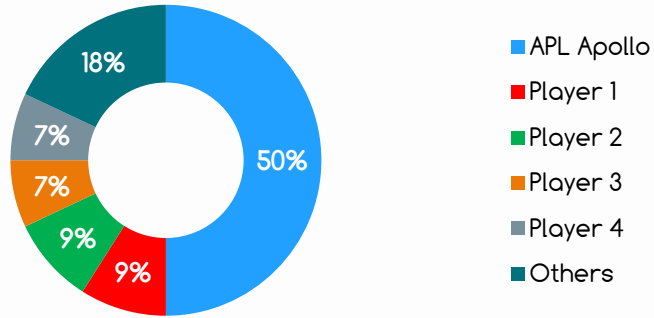
CORE **COMPETENCE**

Our Business Moat...

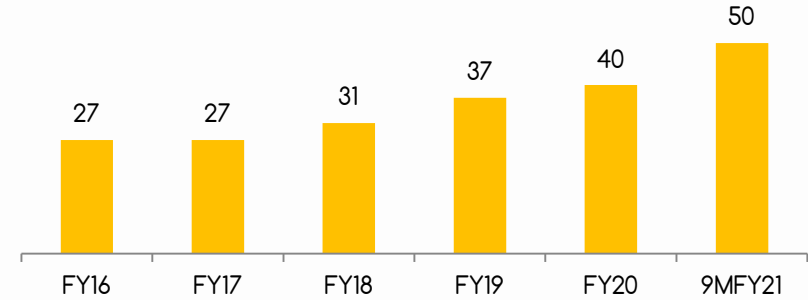


Dominant Leadership

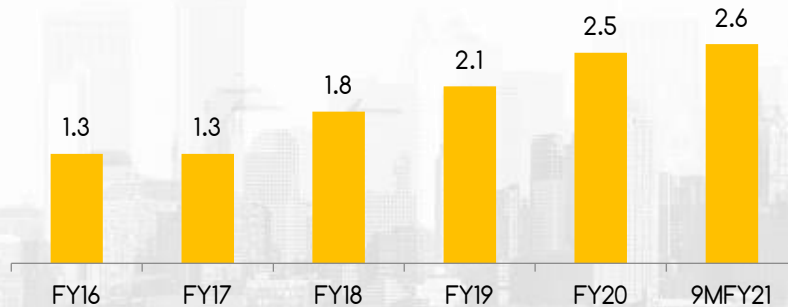
Peer Market Share FY21



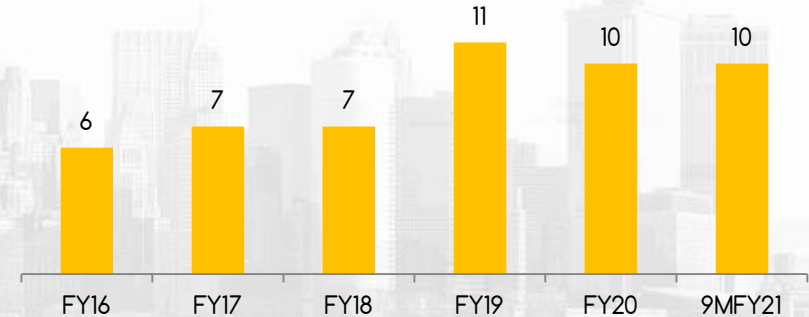
APL's Market Share (%)



Capacity (Mn Tons)



Number of Plants



KEY TAKEAWAYS

Financial Priorities under Strong Governance

Growth

- Profitable Organic Growth
- Commitment to R&D and Talent
- Innovate products to replace conventional construction methods



Earnings

- Drive sustainable EPS growth
- Attain earnings objectives across economic cycles
- ROCE $\geq$ 25%

Capital Allocation

- Focus on Free Cash Flow Generation
- Sound Leverage and Working Capital Ratio
- Consistent dividend payouts to shareholders

ESG Initiatives

Environment

- ✓ Mapping energy consumption trends to achieve energy optimisation benchmark
- ✓ Target to equip all the units and buildings with rooftop solar panels
- ✓ Achieved 20% reduction in wastages through operational efficiency
- ✓ Water recycling already in practice
- ✓ Increasing the greenery cover around all plants
- ✓ Coil stacking system to enhance safety guidelines and flexibility of operations
- ✓ Installed effluent treatment plants for the prevention of water pollution

Social

- ✓ Committed to impart skill development and employment
- ✓ Recruitment of rural youth for local sales operations
- ✓ Funds for education, healthcare and community infrastructure development projects for marginalized communities
- ✓ Association in compliance to the provisions of Companies Act, 2013 relating to Corporate Social Responsibility

Governance

- ✓ No pledge of promoter shares
- ✓ Deloitte for statutory audit and Ernst & Young for internal audit
- ✓ 5 independent board members out of 9

Strong Management

Directors (Non Executive)

Neeru Abrol

Director at TCNS Clothing Co Limited & others | Awarded best achiever by ICAI | 26 Yr experience in SAIL

Abhilash Lal

3 decades of professional experience in senior roles across financial services including banking, PE & others

Anil Kumar Bansal

Director of NABARD, Rockland Finesto Ltd & others
4 decades of experience in banking industry

Virendra Singh Jain

Board member of Dalmia Bharat Ltd |
Ex-Chairman of SAIL | Ex-Executive Director at IOC

Ashok Kumar Gupta

Steel industry veteran with 4 decades of experience
Worked as MD in APL Apollo in the past

Executive Team

Sanjay Gupta

Chairman & Managing Director

Vinay Gupta

Director

Romi Sehgal

Director

Ashok Khushu

Head – New Projects

Arun Agrawal

Chief Operating Officer

Deepak Goyal

Chief Finance Officer

Anubhav Gupta

Chief Strategy Officer

Ravindra Tiwari

Head-Sales & Marketing

Thank You

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Anubhav Gupta

Tel: +91 120 404 1452

Email: anubhav@aplapollo.com



APL Apollo Tubes Limited

37, Hargobind Enclave, Vikas Marg, New Delhi – 110 092

Q3FY21 Financial Performance

Sales volume of 486k tons, + 1% YoY

EBITDA of Rs2,321 mn, + 45% YoY

Net Profit* of Rs1,320 mn, +78% YoY

New Delhi, January 25, 2020: APL Apollo Tubes Limited (APL Apollo), India's leading branded structural steel tube manufacturer, announced its financial results for the quarter and half year ended December 31, 2020.

Financial Performance Highlights

Performance Review for Q3FY21 vs. Q3FY20

- Sales Volume up by 1% to 486k tons
- EBITDA up by 45% to Rs2,321mn
 - EBITDA per ton was Rs4,780 (+43% YoY)
- Interest Cost declined by 48% to Rs147mn
- Net Profit* up by 78% to Rs1,320mn
- Net debt declined to Rs2 bn in 9MFY21 from Rs7.9 bn in 31 Mar'20

Note 1: Sales Volume and Financials are on consolidated basis

Note 2: Interest Cost doesn't include the interest income of Rs64 mn

*Note 3: *Net profit is calculated on consolidated basis after Minority Interest*

Commenting on the Company's performance for Q3FY21, Mr. Sanjay Gupta, Chairman, APL Apollo, said,

APL Apollo Tubes Ltd is the dominant leader in Indian structural steel tube industry. The demand continued to witness a strong recovery across products, spread over key markets in 3QFY21. The momentum which was gained in 2QFY21 persisted for us in 3QFY21 driven by uptick in construction activity in both urban and rural markets. I feel proud of the way Team APL Apollo has executed a strong business continuity plan focused on Health, Cost and Cash throughout FY21. With our continuous focus on working capital and cost efficiencies, the company has emerged stronger from this situation.

About APL Apollo Tubes Limited

APL Apollo Tubes Limited (APL Apollo) BSE: 533758, NSE: APLAPOLLO is India's leading structural steel tube manufacturer. Headquartered at Delhi NCR, the Company operates 10 manufacturing facilities with a total capacity of 2.6 million tons. It has a pan-India presence with units strategically located in Sikandarabad (UP), Hyderabad, Bangalore, Hosur, Raipur, Dujana, Malur and Murbad. APL Apollo's multi-product offerings include over 1,500 varieties for multiple building material structural steel applications. With state-of-the-art-manufacturing facilities, APL Apollo serves as a 'onestop shop' for a wide spectrum of products, catering to an array of industry applications such as urban infrastructure and real estate, rural housing, commercial construction, greenhouse structures and engineering applications. The Company's vast 3-tier distribution network of over 800 Distributors is spread across India, with presence in over 300 towns and cities.

For more information about us, please visit www.aplapollo.com or contact:

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Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. APL Apollo Tubes Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.