

APL APOLLO TUBES LIMITED
 Regd. Office: 37, Hargobind Enclave, Vikas Marg, Delhi-110092
 Statement of Consolidated Financial Results for the quarter ended June 30, 2019

Particulars	(Rupees in crore, except EPS)			
	Quarter ended June 30, 2019 (Unaudited)	Quarter ended March 31, 2019 (Unaudited) (Refer Note 3)	Quarter ended June 30, 2018 (Unaudited)	Year ended March 31, 2019 (Audited)
I Revenue from operations				
(a) Sale of products	1,993.61	2,024.11	1,617.22	6,894.64
(b) Other operating Income	77.99	70.01	59.31	257.68
Total revenue from operations	2,071.60	2,094.12	1,676.53	7,152.32
II Other Income	4.55	2.84	3.74	11.71
III Total income (I + II)	2,076.15	2,096.96	1,680.27	7,164.03
IV Expenses				
(a) Cost of materials consumed	1,792.39	1,788.60	1,482.93	6,288.78
(b) Purchase of stock-in-trade	98.26	18.18	15.08	107.20
(c) Changes in inventories of finished goods, work-in-progress, rejection and scrap	(95.58)	11.46	(32.25)	(88.30)
(d) Employee benefits expense	30.11	28.64	26.11	107.94
(e) Finance costs	28.26	28.94	26.31	113.35
(f) Depreciation and amortisation expense	20.24	17.22	15.20	64.26
(g) Other expenses	121.43	108.50	76.00	343.86
Total expenses	1,995.11	2,001.54	1,609.38	6,937.09
V Profit before tax (III-IV)	81.04	95.42	70.89	226.94
VI Tax expense:				
(a) Current tax	26.47	23.99	20.38	64.81
(b) Deferred tax charge	2.44	9.62	3.52	13.77
(c) Income tax of earlier year	-	0.11	-	0.11
Total tax expense	28.91	33.72	23.90	78.69
VII Profit for the period / year (V-VI)	52.13	61.70	46.99	148.25
VIII Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
(a) Equity instruments through other comprehensive income	2.20	8.90	-	8.90
(b) Remeasurement of post employment benefit obligation	(0.06)	(0.99)	0.25	(0.23)
(c) Income tax relating to (b) above	0.02	0.34	(0.09)	0.07
Other Comprehensive Income for the period / year	2.16	8.25	0.16	8.74
IX Total Comprehensive Income for the period / year (VII+VIII)	54.29	69.95	47.15	156.99
X Profit for the period / year attributable to :				
- Owner of the Company	51.77	61.70	46.99	148.25
- Non-controlling interests	0.36	-	-	-
	52.13	61.70	46.99	148.25
XI Other Comprehensive Income for the period / year attributable to :				
- Owner of the Company	2.16	8.25	0.16	8.74
- Non-controlling interests	-	-	-	-
	2.16	8.25	0.16	8.74
XII Total Comprehensive Income for the period / year attributable to :				
- Owner of the Company	53.92	69.95	47.15	156.99
- Non-controlling interests	0.36	-	-	-
	54.29	69.95	47.15	156.99
XIII Paid up Equity Share Capital (Face value of Rupees 10 each)	24.25	23.85	23.73	23.85
XIV Other equity				
XV Earnings per equity share (EPS) of Rupees 10 each # :				
(a) Basic (In Rupees)	21.54	26.00	19.80	62.47
(b) Diluted (In Rupees)	20.92	25.70	19.44	61.76

EPS is not annualised for the quarter ended June 30, 2019, March 31, 2019 and June 30, 2018.

Notes to the Statement of Consolidated Financial Results :

1. The above Financial Results for the quarter ended June 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 10, 2019.
2. The Statutory Auditors have carried out the 'Limited Review' of the Unaudited Consolidated Financial Results of the Group for the quarter ended June 30, 2019 in accordance with the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. Figures for the quarter ended March 31, 2019 represent the difference between the audited figures in respect of full financial year and the unaudited published figures of nine months ended December 31, 2018.
4. During the quarter ended December 31, 2018, the Board of Directors of the APL Apollo Tubes Limited ('the Company') in their meeting held on October 18, 2018 considered and approved the acquisition / investment by Shri Lakshmi Metal Udyog Limited ('SLMUL'), a wholly owned subsidiary of the Company by way of entering into a Share Purchase Agreement ('Agreement') for the acquisition of 8,030,030 Equity Shares and Options attached to 4,300,000 Warrants of Apollo Tricoat Tubes Limited ('Target Entity', unrelated party).

Pursuant to the said Agreement, SLMUL made an open offer, which got completed on February 1, 2019. During the offer period, SLMUL acquired 1,325,000 Equity Shares from open market and 1,536,209 Equity Shares were tendered under open offer, aggregating to 2,861,209 Equity Shares.

In current quarter, SLMUL, under the above Share purchase agreement completed the acquisition of 8,030,030 Equity Shares and Options attached to 4,300,000 Warrants of Apollo Tricoat Tubes Limited. Further the warrants were converted into equity shares. On completion and transfer of shares on June 17, 2019, SLMUL, holds 15,191,239 equity shares representing 50.56% of paid up share capital of the target entity. Accordingly, Target Entity became a subsidiary of SLMUL with effect from June 17, 2019.

The acquisition of Target Entity has been accounted for under 'Ind-AS 103 : Business Combination' whereby assets and liabilities of the target entity have been fair valued for consolidation on provisional basis. Details of purchase consideration, provisional fair value of net assets acquired and resultant goodwill are as under :

(Rupees in crore)	
Particulars	Amount
Amount paid towards acquisition of shares (including Rupees 11.10 crore resulting on fair valuation of investment on March 31, 2019 and June 16, 2019)	198.37
Add : Fair value of non-controlling interest	82.00
Add : Deferred tax liability on business combination	2.67
Less : Fair value of net assets acquired	(168.54)
Resultant Goodwill	114.50

Accordingly, figures for quarter ended June 30, 2018 and March 31, 2019 and year ended March 31, 2019 are not comparable to current quarter figures.

5. During the quarter ended June 30, 2019, the Board of Directors of APL Apollo Tubes Limited ("the Company") in their meeting held on April 12, 2019, allotted 400,000 equity shares and 500,000 fully convertible warrants on preferential basis to APL Infrastructure Private Limited, an entity belonging to Promoter category at an issue price of Rupees 1,800 per share and Rupees 2,000 per warrant respectively. Pursuant to said allotment of Equity shares, the paid up share capital of the Company stands increased from Rupees 238,503,810 (23,850,381 Equity Shares of Rupees 10 each) to Rupees 242,503,810 (24,250,381 Equity Shares of Rupees 10 each).
6. In current quarter, 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.

The acquisition of above unit (assets) has been provisionally accounted for under 'Ind-AS 103 : Business Combination' whereby assets acquired have been fair valued. Details of purchase consideration, fair value of net assets acquired and resultant capital reserve is as under :

(Rupees in crore)	
Particulars	Amount
The fair value of assets acquired	86.96
Less : Consideration paid	(70.00)
Gross Capital reserve arising on business combination	16.96

Accordingly, figures for quarter ended June 30, 2018 and March 31, 2019 and year ended March 31, 2019 are not comparable to current quarter figures.



7. Effective April 1, 2019, the Group adopted 'Ind-AS 116 : Leases', applied to all lease contracts existing on April 1, 2019 using the modified simplified approach along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability. Accordingly, comparatives for the quarter ended June 30, 2018 and March 31, 2019 and year ended March 31, 2019 have not been, retrospectively adjusted. The effect of this adoption is not material on the profit of the period and earnings per share.
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'.
9. Figures for the previous year / periods have been regrouped and reclassified to conform to the classification of the current year / periods, where necessary.

Ghaziabad
August 10, 2019

For APL APOLLO TUBES LIMITED


ASHOK K. GUPTA
MANAGING DIRECTOR



APL APOLLO TUBES LIMITED
Regd. Office : 37, Hargobind Enclave, Vikas Marg, Delhi - 110092
Statement of Standalone Financial Results for the quarter ended June 30, 2019

Particulars	(Rupees in crore, except EPS)			
	Quarter ended June 30, 2019 (Unaudited)	Quarter ended March 31, 2019 (Unaudited) (Refer Note 3)	Quarter ended June 30, 2018 (Unaudited)	Year ended March 31, 2019 (Audited)
I Revenue from operations				
(a) Sale of products	1,589.10	1,692.43	1,324.82	5,661.82
(b) Other operating income	63.15	55.68	48.80	206.65
Total revenue from operations	<u>1,652.25</u>	<u>1,748.11</u>	<u>1,373.62</u>	<u>5,868.47</u>
II Other Income	7.31	3.63	1.96	42.49
III Total income (I + II)	<u>1,659.56</u>	<u>1,751.74</u>	<u>1,375.58</u>	<u>5,910.96</u>
IV Expenses				
(a) Cost of materials consumed	1,355.22	1,380.49	1,152.97	4,896.66
(b) Purchase of stock-in-trade	192.80	134.13	96.69	427.73
(c) Changes in inventories of finished goods, work-in-progress, rejection and scrap	(72.26)	22.31	(30.29)	(78.91)
(d) Employee benefits expense	22.20	20.73	19.99	78.53
(e) Finance costs	24.39	25.23	24.63	101.35
(f) Depreciation and amortisation expense	16.52	13.57	12.68	53.13
(g) Other expenses	88.15	82.14	58.38	257.12
Total expenses	<u>1,627.02</u>	<u>1,678.60</u>	<u>1,335.05</u>	<u>5,735.61</u>
V Profit before tax (III-IV)	32.54	73.14	40.53	175.35
VI Tax expense:				
(a) Current tax	10.07	20.00	10.00	38.30
(b) Deferred tax charge	1.88	6.03	3.51	10.66
(c) Income tax of earlier year	-	-	-	-
Total tax expense	<u>11.95</u>	<u>26.03</u>	<u>13.51</u>	<u>48.96</u>
VII Profit for the period / year (V-VI)	<u>20.59</u>	<u>47.11</u>	<u>27.02</u>	<u>126.39</u>
VIII Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
(a) Remeasurement of post employment benefit obligation	(0.06)	(0.96)	0.25	(0.21)
(b) Income tax relating to above item	0.02	0.34	(0.09)	0.07
Other Comprehensive Income for the period / year	<u>(0.04)</u>	<u>(0.62)</u>	<u>0.16</u>	<u>(0.14)</u>
IX Total Comprehensive Income for the period / year (VII+VIII)	<u>20.55</u>	<u>46.49</u>	<u>27.18</u>	<u>126.25</u>
X Paid up Equity Share Capital (Face value of Rupees 10 each)	24.25	23.85	23.73	23.85
XI Other equity				983.93
XII Earnings per equity share (EPS) of Rupees 10 each # :				
(a) Basic (In Rupees)	8.51	19.85	11.39	53.25
(b) Diluted (In Rupees)	8.26	19.63	11.18	52.65

EPS is not annualised for the quarter ended June 30, 2019, March 31, 2019 and June 30, 2018.



Notes to the Statement of Standalone Financial Results :

1. The above Financial Results for the quarter ended June 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 10, 2019.
2. The Statutory Auditors have carried out the 'Limited Review' of the Unaudited Standalone Financial Results of the Company for the quarter ended June 30, 2019 in accordance with the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. Figures for the quarter ended March 31, 2019 represent the difference between the audited figures in respect of full financial year and the unaudited published figures of nine months ended December 31, 2018.
4. During the quarter ended June 30, 2019, the Board of Directors of the Company in their meeting held on April 12, 2019, allotted 400,000 equity shares and 500,000 fully convertible warrants on preferential basis to APL Infrastructure Private Limited, an entity belonging to Promoter category at an issue price of Rupees 1,800 per share and Rupees 2,000 per warrant respectively. Pursuant to said allotment of Equity shares, the paid up share capital of the Company stands increased from Rupees 238,503,810 (23,850,381 Equity Shares of Rupees 10 each) to Rupees 242,503,810 (24,250,381 Equity Shares of Rupees 10 each).
5. In current quarter, 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.

The acquisition of above unit (assets) has been provisionally accounted for under 'Ind-AS 103 : Business Combination' whereby assets acquired have been fair valued. Details of purchase consideration, fair value of net assets acquired and resultant capital reserve is as under :

(Rupees in crore)	
Particulars	Amount
The fair value of assets acquired	86.96
Less : Consideration paid	(70.00)
Gross Capital reserve arising on business combination	16.96

Accordingly, figures for quarter ended June 30, 2018 and March 31, 2019 and year ended March 31, 2019 are not comparable to current quarter figures.

6. Effective April 1, 2019, the Company adopted 'Ind-AS 116 : Leases', applied to all lease contracts existing on April 1, 2019 using the modified simplified approach along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability. Accordingly, comparatives for the quarter ended June 30, 2018 and March 31, 2019 and year ended March 31, 2019 have not been, retrospectively adjusted. The effect of this adoption is not material on the profit of the period and earnings per share.
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'.
8. Figures for the previous year / periods have been regrouped and reclassified to conform to the classification of the current year / periods, where necessary.

Ghaziabad
August 10, 2019

For APL APOLLO TUBES LIMITED


ASHOK K. GUPTA
MANAGING DIRECTOR



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 ended June 30, 2019 ("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.
4. The Statement includes the results of the following entities:
 - (i) The Parent Company
 - APL Apollo Tubes Limited
 - (ii) Subsidiary companies :-
 - Apollo Metalex Private Limited
 - Shri Lakshmi Metal Udyog Limited
 - Blue Ocean Projects Private Limited
 - APL Apollo Tubes FZE
 - Apollo Tricot Tubes Limited
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration 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 11.73 crores for the quarter ended June 30, 2019, total net profit after tax of Rupees 0.72 crores for the quarter ended June 30, 2019 and total comprehensive income of Rupees 0.72 crores for the quarter ended June 30, 2019, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have 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 reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.
7. The consolidated unaudited financial results includes the interim financial results of two subsidiaries which have not been reviewed/audited by their auditors, whose interim financial results reflect, total revenue of Rupees NIL for the quarter ended June 30, 2019, total loss after tax of Rupees 0.12 crores for the quarter ended June 30, 2019 and Total comprehensive loss of Rupees 0.12 crores for the quarter ended June 30, 2019. 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 is not modified in respect of the matters set out in paragraphs 6 and 7 above.

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




RASHIM TANDON
Partner
(Membership No. 095540)
UDIN : 19095540AAAAAU9844

Ghaziabad, August 10, 2019

**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 ended June 30, 2019 ("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)



Rashim Tandon

RASHIM TANDON

Partner

(Membership No. 095540)

UDIN : 19095540AAAAAV7548

Ghaziabad, August 10, 2019