

THIS DISCLOSURE DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS. THIS DISCLOSURE DOCUMENT PREPARED IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 ISSUED VIDE CIRCULAR NO. LAD-NRO/GN/2008/13/127878 DATED JUNE 06, 2008, AS AMENDED FROM TIME TO TIME AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ISSUED VIDE CIRCULAR NO. SEBI/LAD-NRO/GN/2015-16/025 AS AMENDED FROM TIME TO TIME AND SECTION 42 OF THE COMPANIES ACT, 2013 AND THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED FROM TIME TO TIME.

## INFORMATION MEMORANDUM

### APL APOLLO TUBES LIMITED

A public company with limited liability incorporated on February 24, 1986 under the Companies Act, 1956

Registered Office: 37, Hargobind Enclave, Vikas Marg, Delhi - 110092.

Corporate Office: 36, Kaushambi, Near Anand Vihar Terminal Delhi-NCR 201010.

Telephone No.: +91 120 4041400; Fax No.: +91 120 4041444; Website: www.aplapollo.com; CIN: L74899DL1986PLC023443;

Contact Person: Deepak Goyal, Chief Financial Officer

Information Memorandum dated June 29, 2018 for issue of up to 1,950 (One Thousand Nine Hundred and Fifty) Rated, Listed, Secured, Redeemable, Non-Convertible Debentures ("Debentures" or "NCDs") having face value of Rs. 10,00,000/- (Rupees Ten Lakh only) each, for cash, at par, aggregating Rs. 195,00,00,000/- (Rupees One Hundred and Ninety Five Crores only) in one or more series issued on a private placement basis (the "Issue").

## BACKGROUND

This Information Memorandum is related to the Debentures to be issued by APL Apollo Tubes Limited (the "Issuer" or "Company") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this Information Memorandum has been authorised by the resolutions passed by the Board of Directors of the Issuer on September 9, 2017 read with resolution passed on May 25, 2018 and by the Finance Committee of the Board of Directors on June 26, 2018.

## ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for this Information Memorandum and confirms that this Information Memorandum (including the documents incorporated by reference herein, if any) contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Information Memorandum is true and correct in all respects and is not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any respect.

## CREDIT RATING

The Debentures proposed to be issued by the Issuer have been rated by ICRA Limited (the "Rating Agency"). The Rating Agency has assigned a rating of [ICRA] AA- with Stable outlook' in respect of the Debentures. The credit rating letter no. DEL/RAT/2018-19/B-41/1 dated 14<sup>th</sup> May 2018 issued by the Rating Agency is enclosed in **Annexure I**. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. The ratings may be subject to revision or withdrawal at any time by the Rating Agency and should be evaluated independently of any other ratings.

## LISTING

The Debentures offered through this Information Memorandum are proposed to be listed on the WDM segment of BSE Limited (the "BSE"). The Issuer will list the Debentures within 7 (Seven) Business Days from the Deemed Date of Allotment.

## RISK

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments. Investors are advised to read the Disclaimers contained under **Section 2** and the Risk Factors under **Section 3** of this Information Memorandum carefully before taking an investment decision in relation to this issuance of Debentures.

## ISSUE SCHEDULE

Issue Opens on	6 <sup>th</sup> July, 2018
Issue Closes on	6 <sup>th</sup> July, 2018
Pay-in Date	6 <sup>th</sup> July, 2018
Deemed Date of Allotment	6 <sup>th</sup> July, 2018



Sole Arranger	Debenture Trustee	Registrar & Transfer Agent
<b>RBL Bank Limited</b> Address: One Indiabulls Centre, Tower 2B, 6 <sup>th</sup> Floor, 841, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 Tel: (022)-4302 0600 Website: <a href="https://www.rblbank.com">https://www.rblbank.com</a>	<b>SBICAP Trustee Company Limited</b> Address: 711, 7 <sup>th</sup> Floor, Ashoka estate, 24, Barakhamba Road, Connought Place, New Delhi - 110001 Tel: (011)-4307 2286 Website: <a href="http://www.sbicaptrustee.com">http://www.sbicaptrustee.com</a>	<b>Abhipra Capital Limited</b> Address: GF- Abhipra Complex, Dilkhush Industrial Area A-387, G.T. Karnal Road Azadpur, Delhi-110033 Tel: 011-42390783, 42390725 Website: <a href="mailto:rta@abhipra.com">rta@abhipra.com</a>



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## SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Information Memorandum.

Allot / Allotment / Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to the Issue to the successful applicants.
Application Form	The form used by the recipient of this Information Memorandum, to apply for subscription to the Debentures, which is annexed to this Information Memorandum and marked as <b>Annexure III</b> .
Articles of Association / Articles	The articles of association of the Issuer, as amended from time to time.
Board / Board of Directors	The Board of Directors of the Issuer and includes any Authorised Committee of Directors, formed or to be formed in this regard.
Business Day	Means any day of the week (excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881) on which the money market is functioning in Mumbai and “ <b>Business Days</b> ” shall be construed accordingly.
BSE	BSE Limited.
CDSL	Central Depository Service Limited.
Call Option	Means the option available to the Company to repay / redeem all the Debentures up to the Call Option Value, on each of the Call Option Dates, in the manner set out in <b>Section 5.11</b> of this Information Memorandum.
Call Option Dates	Means the dates as identified as ‘Call Option Dates’ in the row titled <i>Call Option Dates</i> in summary terms set out in <b>Section 5.11</b> of this Information Memorandum.
Call Option Value	Means the values as identified in ‘Call Option Value’ in the row titled <i>Call Option Value</i> in summary terms set out in <b>Section 5.11</b> of this Information Memorandum.
Chattisgarh Immovable Property	Means all that piece and parcels of land, hereditaments and premises admeasuring approximately 3.172 hectare, situated at Village Bendri, Tehsil Raipur, District Raipur, Chattisgarh and all buildings and structures standing, constructed or erected thereon, as more particularly described in Debenture Trust cum Mortgage Deed.
Companies Act / the Act	The Companies Act, 2013, and to the extent not repealed and replaced by the Companies Act, 2013, shall mean the Companies Act, 1956.



Coupon	<p>Means:</p> <p>(i) with respect to Series 1 Debentures, the interest payable on the Series 1 Debentures on the Coupon Payment Date, which interest shall be a fixed rate of 8.65% (Eight Decimal Point Six Five Percent) per annum payable on each Coupon Payment Date and in the event of any downgrade in rating assigned to the Debentures, such rate of interest as has been revised in accordance with summary terms set out in <b>Section 5.11</b> of this Information Memorandum.</p> <p>(ii) with respect to Series 2 Debentures, the interest payable on the Series 2 Debentures on the Coupon Payment Date, which interest shall be a fixed rate of 8.68% (Eight Decimal Point Six Eight Percent) per annum payable on each Coupon Payment Date and in the event of any downgrade in rating assigned to the Debentures, such rate of interest as has been revised in accordance with summary terms set out in <b>Section 5.11</b> of this Information Memorandum.</p>
Coupon Payment Date	<p>Means the date on which Coupon is payable to the Debenture Holders, being each of the following dates:</p> <p>(i) July 8, 2019; (ii) July 6, 2020; and (iii) July 6, 2021.</p>
Debentures / NCDs	<p>1,950 (One Thousand Nine Hundred and Fifty) senior, rated, secured, listed, redeemable non-convertible debentures of the Company to be issued by the Company in terms of Debenture Trust Deed, comprising of Series 1 Debentures and Series 2 Debentures, each having a face value of Rs.10,00,000/- (Rupees Ten Lakh only) and aggregating up to Rs. 195,00,00,000/- (Rupees One Hundred Ninety Five Crores only).</p>
Debenture Holders / Investors	<p>Initially, the persons to whom the Information Memorandum has been issued to and who have subscribed the Debentures in the primary market and thereafter shall mean and include any Person to whom the Debentures are transferred to, each who fulfils the following requirements:</p> <p>(a) in case of Debentures in dematerialised form, persons who are registered as such as the beneficial owners and (b) in case of Debentures in physical form, persons who are registered as debenture holder(s) in the register of Debenture Holder(s).</p>
Debt Service Coverage Ratio (DSCR)	<p>Means the sum of profit after tax, depreciation, interest, expense, deferred tax and amortisation divided by the sum of interest paid, including interest capitalized, long term and short term debt repayments.</p>

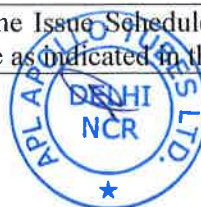


Deeds of Personal Guarantee	Means the deeds of personal guarantee executed / to be executed by each of the Personal Guarantors in favour of the Debenture Trustee, in a form and manner satisfactory to the Debenture Trustee, being an unconditional and irrevocable guarantee of each of the Personal Guarantors for the payment of all the Debenture Outstandings and performance of all other obligations of the Company under the Transaction Documents.
Deemed Date of Allotment	6 <sup>th</sup> July, 2018
Debenture Outstandings	Means, at any time, the aggregate amount due and payable by the Company in respect of the Debentures including the Principal Amount, Coupon, default interest, expenses, remuneration of the Debenture Trustee, liquidated damages, if any, and all fees, costs, charges, expenses and other monies owing or incurred from time to time by the Company to any Debenture Holder or the Debenture Trustee under or in connection with the Transaction Documents.
Debenture Trustee	SBICAP Trustee Company Limited
Debenture Trustee Agreement	Means the agreement to be executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trust cum Mortgage Deed	Means the deed to be executed between the Company and the Debenture Trustee within a period of 60 (Sixty) days from the Deemed Date of Allotment, which will, <i>inter-alia</i> , set out the detailed terms and conditions upon which Debentures are proposed to be issued and setting out the roles and responsibilities of the Debenture Trustee in connection with the issuance of the Debentures.
Deed of Hypothecation	Means the deed of hypothecation to be executed within a period of 60 (Sixty) days from the Deemed Date of Allotment, in terms of which the Company shall create a first ranking <i>pari passu</i> charge on the Hypothecated Assets.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time with whom the Issuer has made arrangements for dematerializing the Debentures.
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Director(s)	Director(s) of the Issuer unless otherwise mentioned.
Disclosure Document / Information Memorandum	This document which sets out the information regarding the Debentures being issued on a private placement basis.
DP ID	Depository Participant Identification Number.

EBITDA	Means earnings before interest taxes depreciation and amortisation; provided however that onetime income or exceptional items (including but not restricted to any unusual or significant write off's, exchange gain/loss) shall be excluded.
EFT	Electronic Fund Transfer.
Event of Default	Means any of the events described as an 'Event of Default' in the row titled <i>Events of Default</i> in the summary terms set out in <b>Section 5.11</b> of this Information Memorandum and such other events as may be identified as such in the other Transaction Documents.
Final Maturity Date	Means the final date by which the Company shall have fully redeemed the Debentures which date shall be not later than 36 (Thirty Six) months from the Deemed Date of Allotment of the Debentures.
Final Settlement Date	Means the date on which all the Debenture Outstandings have been paid and settled in full in accordance with the terms of the Transaction Documents and the Debenture Trustee has provided a written confirmation of the same to the Company (with a copy marked to the Debenture Holders).
Financial Indebtedness	<p>Shall mean in relation to any Person any indebtedness of such Person for or in respect of:</p> <ul style="list-style-type: none"> <li>(i) moneys borrowed;</li> <li>(ii) any amount availed of by acceptance of any credit facility;</li> <li>(iii) any amount raised pursuant to the issuance of any notes, bonds, shares (whether redeemable or otherwise), debentures, loan stock or any other similar securities or instruments;</li> <li>(iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted principles of accounting in India, be treated as a finance or capital lease;</li> <li>(v) receivables sold or discounted (other than any receivables to the extent that they are sold on a non-recourse basis);</li> <li>(vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;</li> <li>(vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);</li> <li>(viii) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</li> <li>(ix) the amount of any liability under an advance or deferred</li> </ul>



	<p>purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance; or</p> <p>(x) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs 'i' to 'ix' above;</p>
Financial Year/ FY	Means a period of 12 (twelve) months starting from 1 <sup>st</sup> April of any year and ending on 31 <sup>st</sup> March of the following year.
GAAP	Generally Accepted Accounting Principles.
Hypothecated Assets 1	Means all the moveable fixed assets of the Company, both present and future, including the moveable fixed assets which are located at M-1, Additional Murbad Industrial Area – V, Kudawali Murbad, District Thane, Maharashtra and on the Immoveable Property, UP Immoveable Property and the Chhattisgarh Immoveable Property, over which a first ranking <i>pari passu</i> charge shall be / has been created by the Company in favour of the Debenture Trustee in terms of the Deed of Hypothecation.
Hypothecated Assets 2	Means the whole of the current assets of the Company, both present and future, including stock of raw materials, stock in process, semi finished and finished goods, stores not relating to plant and machinery (consumable stores and spares), export/local bills receivable, book debts, both present and future whether now lying loose or in cases or which are now lying or stored in or about or shall hereinafter from time to time during the continuance of the security be brought into or upon or be stored or be in or about of the Company's, premises and godowns situated at the Company's factory premises or wherever also the same may be or be held by any party to the order or disposition of the Company or in the course of transit or on high seas or on order or delivery howsoever and wheresoever in the possession of the Company either by way of substitution or addition, over which a second ranking <i>pari passu</i> charge shall be / has been created by the Company in favour of the Debenture Trustee in terms of the Deed of Hypothecation.
Immoveable Property	shall mean all that piece and parcels of land, hereditaments and premises admeasuring approximately 23.64 acres being plot no. 332 to 338 situated at Alur Village, Perandapalli, Hosur, Tamil Nadu and all buildings and structures standing, constructed or erected thereon, as more particularly described in Debenture Trust cum Mortgage Deed.
Issue	Private Placement of the Debentures.
Issue Closing Date	Subject to any change to the Issue Schedule by the Issuer, the Issue Closing Date shall be as indicated in the Issue Schedule.
Issue Opening Date	Subject to any change to the Issue Schedule by the Issuer, the Issue Opening Date shall be as indicated in the Issue Schedule.





Issuer/ Company	APL Apollo Tubes Limited.
Majority Debenture Holders	Means, with reference to each Series, the Debenture Holder(s) of that Series holding an aggregate amount representing not less than 51% (Fifty One Percent) of the value of the nominal amount of the Debentures of that Series for the time being outstanding.
Memorandum of Association/ Memorandum	The Memorandum of Association of the Issuer, as amended from time to time.
Management Control	with respect to any Person, means: (i) right to appoint majority of the directors on the board of such Person or the right to appoint majority of the partners in case of a limited liability partnership or partnership firm; or (ii) right to control the management or policy decisions exercisable by a Person or Persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders or voting agreements or in any other manner.
N.A.	Not Applicable.
NSDL	National Securities Depository Limited.
PAN	Permanent Account Number.
Personal Guarantors	shall mean (i) Mr. Sanjay Gupta, holding permanent account number ALQPG6676F and currently residing at 106, Hargovind Enclave, Vikas Marg, Delhi - 110 092 and (ii) Mr. Vinay Gupta, holding permanent account number AAJPG8386L and currently residing at 106, Hargovind Enclave, Vikas Marg, Delhi - 110 092; being, inter alios, the Promoters of the Company.
Principal Amount	shall mean, with reference to each Series, the aggregate face value / nominal value of the issued and outstanding Debentures for that Series.
Principal Payment Date	Means, with reference to each Series, the date on which the Principal Amount in respect of the Debentures for that Series, is scheduled to be repaid by the Company to the Debenture Holders (including on account of acceleration upon the occurrence of an Event of Default). The scheduled Principal Payment Dates shall, subject to the Call Option and Put Option, be identified in the <b>Annexure VIII</b> herein.
Promoters	(i) Mr. Sanjay Gupta holding permanent account number ALQPG6676F and currently residing at 106, Hargovind Enclave, Vikas Marg, Delhi 110092; (ii) Mr. Ashok K. Gupta holding permanent account number AACPG1951E and currently residing at C-380, Yojna Vihar, Delhi - 110092; and (iii) Mr. Vinay Gupta holding permanent account number AAJPG8386L and currently residing at 106, Hargovind Enclave, Vikas Marg, Delhi - 110092.



Put Option	Means the option / right (but not the obligation) available to the Debenture Holders to call upon the Company to redeem all the Debentures held by such Debenture Holders on, the Put Option Date, in the manner set out in <b>Section 5.11</b> of this Information Memorandum.
Put Option Dates	Means the dates as identified as 'Put Option Dates' in the row titled <i>Put Option Dates</i> in the summary terms set out in <b>Section 5.11</b> of this Information Memorandum.
Put Option Amount	Means the values identified as 'Put Option Value' in the row titled <i>Put Option Value</i> in the summary terms as set out in <b>Section 5.11</b> of this Information Memorandum.
Rating Agency	ICRA Limited.
RBI	Reserve Bank of India.
Record Date	Means, with reference to each Series, the date which will be used for determining the Debenture Holders for that Series who shall be entitled to receive the amounts due on any due date, which shall be the date falling 15 (Fifteen) days prior to any due date. Provided however it is clarified that where any Record Date falls on a day other than a Business Day, then in such case the Record Date shall be the day which is the immediately preceding Business Day.
Relative	Shall mean with respect to any individual: (i) lineal ascendants; (ii) lineal descendants; and (iii) spouse of such individual.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Abhipra Capital Limited.
ROC	Registrar of Companies.
Rs. / INR	Indian National Rupee.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 as amended from time to time and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI, as amended from time to time.
Secured Assets	shall mean collectively Hypothecated Assets 1, Hypothecated Assets 2, Immoveable Property, Chattisgarh Immoveable Property and UP Immoveable Property.



Series	shall mean the Series 1 Debentures and/or the Series 2 Debentures, as the context may require.
Series 1 Debentures	Means 1,000 (One Thousand) rated, listed, secured and redeemable non-convertible debentures of a face value of Rs.10,00,000/- (Rupees Ten Lakh only) each, of the aggregate nominal value of up to Rs.100,00,00,000/- (Rupees One Hundred Crores only).
Series 2 Debentures	Means 950 (Nine Hundred and Fifty) rated, listed, secured and redeemable non-convertible debentures of a face value of Rs.10,00,000/- (Rupees Ten Lakh only) each, of the aggregate nominal value of up to Rs.95,00,00,000/- (Rupees Ninety Five Crores only).
Stock Exchange	BSE Limited.
Subscription Money	The money credited by the applicant to the bank account of the Company for the purpose of subscription of the Debentures.
Tangible Net-Worth	<p>Means the sum of the paid-up share capital, non-redeemable preference shares and free reserves less intangible assets (including goodwill, amortisation, deferred tax assets etc.). For the purposes of this definition, "free reserves" shall mean and include all reserves credited out of profit and share premium account but shall not include reserves credited out of re-valuation of assets, write back of depreciation provisions and amalgamations.</p> <p>For the purposes of this definition, "intangible assets" shall include goodwill, amortisation and deferred tax assets.</p>
TDS	Tax Deducted at Source.
Transaction Documents	shall mean the documents executed / to be executed in relation to the issue of the Debentures and the creation of the Security Interest in relation to the Debentures and shall include: (i) the Debenture Trust cum Mortgage Deed; (ii) this Information Memorandum; (iii) the Debenture Trustee Agreement; (iv) the Deed of Hypothecation; (v) documents executed / to be executed in connection with creation of an equitable mortgage by constructive delivery over the UP Immoveable Property and Chhattisgarh Immoveable Property; (vi) the Deed of Personal Guarantee; (vii) private placement offer letter(s) in relation to the Debentures; (viii) Rating Letter and credit report from the Rating Agency; (ix) letter of appointment of registrar and transfer agent; (x) listing agreement with the BSE with respect to listing of Debentures and (xi) any documents that may be designated by the Debenture Trustee, acting on the instructions of the Debenture Holders, as a Transaction Document.
UP Immoveable Property	shall mean all that piece and parcels of land, hereditaments and premises, being plot no. A-19, A-20 situated Sikandarabad Industrial Area, District Bulandshahar, Uttar Pradesh and all



	buildings and structures standing, constructed or erected thereon, as more particularly described in Debenture Trust cum Mortgage Deed.
WDM	Wholesale Debt Market.





## **SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS**

### **2.1 ISSUER'S DISCLAIMER**

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. The issue of the Debentures is being made strictly on a private placement basis and is proposed to be listed on BSE. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Information Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general. The Issuer has mandated RBL Bank Limited to act as the sole arranger for the Debentures and to distribute either directly and/or through its affiliates this Information Memorandum to identified potential investors.

This Information Memorandum has been prepared in conformity with the SEBI Regulations. This Information Memorandum has been prepared solely to provide general information about the Issuer to investors to whom it is addressed and who, being permitted pursuant to the provisions of this Information Memorandum, are willing to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any potential investor may require. Further, this Information Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this Information Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each Investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such Investor's particular circumstances. It is the responsibility of the Investors to also ensure that they will sell these Debentures in strict accordance with the terms and conditions of this Information Memorandum and applicable laws, so that the sale does not constitute an offer for sale to the public within the meaning of the Companies Act.

The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer. The Issuer certifies that the disclosures made in this Information Memorandum are adequate and in conformity with the SEBI Regulations. Further, the Issuer accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Information Memorandum would be doing so at its own risk.

**This Information Memorandum and the contents hereof are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients may apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum are**



**intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.**

No invitation is being made to any persons other than those to whom Application Forms along with this Information Memorandum being issued have been sent. Any application by a person to whom the Information Memorandum has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Information Memorandum shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to the Issuer or other parties in connection with the Issue. This Information Memorandum may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Information Memorandum) without retaining any copies thereof. If any recipient of this Information Memorandum decides not to participate in the Issue, that recipient must promptly return this Information Memorandum and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the Information Memorandum to reflect subsequent events after the date of Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Information Memorandum nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Information Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Information Memorandum in any jurisdiction where such action is required. Persons into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions. The Information Memorandum is made available to potential Investors in the Issue on the strict understanding that it is confidential.

## **2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES**

As required, a copy of this Information Memorandum has been filed with BSE in terms of SEBI Regulations. It is to be distinctly understood that submission of this Information Memorandum to the BSE should not in any way be deemed or construed to mean that this Information Memorandum has been reviewed, cleared, or approved by the BSE; nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any contents of this Information Memorandum, nor does BSE warrant that the Debentures will be listed or will continue to be listed on BSE; nor does BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its Promoters, its management or any scheme or project of the Issuer.



### **2.3 DISCLAIMER CLAUSE OF SEBI**

As per the provisions of the SEBI Regulations, it is not stipulated that a copy of this Information Memorandum has to be filed with or submitted to the SEBI for its review / approval.

### **2.4 DISCLAIMER CLAUSE OF THE SOLE ARRANGER**

It is advised that the Issuer has exercised self due diligence to ensure complete compliance of prescribed disclosure norms etc. in this Information Memorandum. The role of the sole arranger in the assignment is confined to marketing and placement of the Debentures on the basis of this Information Memorandum as prepared by the Issuer. The sole arranger has neither scrutinized / vetted nor has it done any due-diligence for verification of the contents of this Information Memorandum. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the sole arranger or any of its officers as to the adequacy, completeness or reasonableness of the information contained herein or of any further information, statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto.

The sole arranger shall use this Information Memorandum for the purpose of soliciting subscription from eligible investors for the Debentures to be issued by the Issuer on a private placement basis. It is to be distinctly understood that the aforesaid use of this Information Memorandum by the sole arranger should not in any way be deemed or construed that the Information Memorandum has been prepared, cleared, approved or vetted by the sole arranger; nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; nor do they take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project. The sole arranger or any of its directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this Information Memorandum.

Please note that:

- (A) The sole arranger and/or its affiliates may, now and/or in the future, have other investment and commercial banking, trust and other relationships with the Issuer and with other persons ("**Other Persons**");
- (B) As a result of those other relationships, the sole arranger and/or their affiliates may get information about Other Persons, the Issuer and/or the Issue or that may be relevant to any of them. Despite this, the sole arranger and/or its affiliates will not be required to disclose such information, or the fact that it is in possession of such information, to any recipient of this Information Memorandum;
- (C) The sole arranger and/or its affiliates may, now and in the future, have fiduciary or other relationships under which it, or they, may exercise voting power over securities of various persons. Those securities may, from time to time, include Debentures of the Issuer; and
- (D) Each of the sole arranger and/or its affiliates may exercise such voting powers, and otherwise perform its functions in connection with such fiduciary or other relationships, without regard to its relationship to the Issuer and/or the Debentures.

### **2.5 DISCLAIMER OF THE TRUSTEE**

The Issuer confirms that all necessary disclosures have been made in the Information Memorandum including but not limited to statutory and other regulatory disclosures. Investors should carefully read and note the contents of the Information Memorandum. Each





prospective investor should make its own independent assessment of the merit of the investment in the Debentures and the Issuer. Prospective investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and suitability of such investment to such investor's particular circumstance. Prospective investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in such instruments. The Trustees, *ipso facto* do not have the obligations of a borrower or a principal debtor or as to the monies paid/invested by investors for the Debentures.

## 2.6 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the clause titled "**Persons who may apply**" of this Information Memorandum, who shall be specifically approached by the Issuer. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the non-exclusive jurisdiction of the courts and tribunals at Tamil Nadu. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

## 2.7 DISCLAIMER IN RESPECT OF RATING AGENCY

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency do not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

## 2.8 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depository(ies) for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the Allotment to Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the Subscription Money.





### **SECTION 3: RISK FACTORS**

The following are the risks relating to the Issuer, the Debentures and the market in general envisaged by the management of the Issuer. Potential investors should carefully consider all the risk factors in this Information Memorandum for evaluating the Issuer and its business and the Debentures before making any investment decision relating to the Debentures. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Debentures, but does not represent that the statements below regarding risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

#### **3.1 REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER**

Potential investors should be aware that receipt of the Principal Amount, redemption premium payments and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

#### **3.2 THE SECONDARY MARKET FOR THE DEBENTURES MAY BE ILLIQUID**

The Debentures may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential investors may have to hold the Debenture until redemption to realize any value.

#### **3.3 CREDIT RISK & RATING DOWNGRADE RISK**

The Rating Agency has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the Rating Agency may downgrade the rating of the Debentures.

#### **3.4 TAX, LEGAL AND ACCOUNTING CONSIDERATIONS**

Special tax, accounting and legal considerations may apply to certain class/ types of investors. Potential investors are advised to consult with their own tax, accounting and legal professional advisors to determine the tax, accounting, legal or other implications of their investment in the present Issue.

#### **3.5 MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS.**

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

#### **3.6 LEGALITY OF PURCHASE**

Potential investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the



jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

### **3.7 POLITICAL AND ECONOMIC RISK IN INDIA**

The Issuer operates mainly within India and, accordingly, a substantial part of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition. The Issuer's performance and the quality and growth of its assets are necessarily dependent on the health of the overall Indian economy. A slowdown in the Indian economy could adversely affect the business, future financial performance and results of operations of the Issuer.

### **3.8 RISKS IN RELATION TO ENFORCEMENT**

#### **(a) Significant delays may be faced in court proceedings in India.**

The Debenture Trustee and/or the Debenture Holders may need to seek recourse to Indian courts to enforce their rights under the Transaction Documents and/or in respect of the Debentures in the event that the Issuer fails to honour its obligations in relation to the Debentures. It is not unusual for court proceedings in India to continue for extended periods. Disposition of cases may be further subject to various delays including multiple levels of appellate adjudication.

#### **(b) Exercise of powers by the Debenture Trustee is subject to equitable principles and supervisory powers of courts.**

The exercise by the Debenture Trustee of the powers and remedies conferred on it under the Debentures, and the Transaction Documents, or otherwise vested in it by law, will be subject to general equitable principles, the general supervisory powers and discretion of the Indian courts in the context thereof and the obtaining of any necessary governmental or regulatory consents, approvals, authorisations or orders.

### **3.9 RISKS IN RELATION TO LISTING**

There is no guarantee that the Debentures issued pursuant to this Information Memorandum will be listed on BSE in a timely manner, or be listed at all.

### **3.10 RISKS IN TRADING OF DEBENTURES**

Trading of the NCDs on BSE may be limited by temporary exchange closures, broker defaults, settlement delays, strikes by brokerage firm employees and disputes.

### **3.11 OPERATIONAL RISK**

The Issuer is exposed to operational risk, which may arise as a result of various factors like improper authorisations, inappropriate documentation, and failure in maintenance of proper security policies, frauds, inadequate training and employee errors. Further, there can also be a strike, lock-out, an obligation of the Company becoming illegal or impossible in whole or in part etc.



## SECTION 4: FINANCIAL STATEMENTS

Set out in **Annexure IV** hereto



## SECTION 5: DISCLOSURES UNDER SEBI REGULATIONS

The Information Memorandum is prepared in accordance with the provisions of SEBI Regulations and in this section, the Issuer has set out the details required as per Schedule I of the SEBI Regulations

### 5.1 Documents Submitted to BSE

The following documents have been / shall be submitted to the BSE:

- (a) Memorandum and Articles of Association of the Issuer and resolution(s) to be passed by the Board of Directors for the allotment of the Debentures;
- (b) Copies of audited annual reports for the last 3 (Three) years;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Copy of the Board resolution authorizing the borrowing and list of authorised signatories;
- (e) Undertaking to the effect that (i) necessary documents for the creation of charge including the Debenture Trust cum Mortgage Deed would be executed within the time frame prescribed in the relevant regulations / act / rules etc. and the same would be uploaded on the website of the BSE, within five working days of execution of the same (ii) permission / consent from the prior creditors for a second or pari passu charge being created in favour of the Debenture Trustees shall be obtained prior to creation of security.

### 5.2 Documents Submitted to Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee:

- (a) Memorandum and Articles of Association of the Issuer and resolution(s) to be passed by the Board of Directors for the allotment of the Debentures;
- (b) Copies of audited annual reports for the last 3 (Three) years;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;
- (e) Undertaking to the effect that (i) the Issuer would, till the redemption of the Debentures, submit the latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any, to the Debenture Trustee within the timelines as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company shall also promptly submit to the Debenture Trustee all the other documents/intimations as are required to be submitted under the provisions of Regulation 56 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 5.3 Issuer Information

**Name:** APL Apollo Tubes Limited

**Registered office of the Issuer:** 37, Hargobind Enclave, Vikas Marg, Delhi - 110092

**Telephone No:** 011-22373437;

**Fax No.:** 011-22373537;





Website: [www.aplapollo.com](http://www.aplapollo.com);  
E-mail: [deepakgoyal@aplapollo.com](mailto:deepakgoyal@aplapollo.com)

**Corporate office of the Issuer:** 36, Kaushambi, Near Anand Vihar Terminal Delhi-NCR  
201010.

**Compliance Officer of Issuer:** Mr. Adhish Swaroop  
Address: 36, Kaushambi, Near Anand Vihar Terminal Delhi-NCR  
201010;  
Telephone No.: 011-22373437;  
Fax No.: 011-22373537;  
E-mail: [comsec@aplapollo.com](mailto:comsec@aplapollo.com)

**CFO of Issuer:** Mr. Deepak Goyal  
Address: 36, Kaushambi, Near Anand Vihar Terminal Delhi-NCR  
201010

**Sole Arranger:** RBL Bank Limited  
Address: One India bulls Centre, Tower 2B, 9<sup>th</sup> Floor, 841  
Senapati Bapat Marg, Lower Parel, Mumbai-400013  
Tel no: +91-22-43020600  
Fax No.: +91-22-43020543  
Email: [tbo@rblbank.com](mailto:tbo@rblbank.com)

**Trustee to the Issue:** SBICAP Trustee Company Limited  
Address: 711, 7<sup>th</sup> Floor, Ashoka Estate, 24,  
Barakhamba Road, Connaught Place,  
New Delhi-110001  
Contact Person: Mr. Vineet Kumar  
Tel: +91 1143072286  
Email: [vineet.kumar@sbicaptrustee.com](mailto:vineet.kumar@sbicaptrustee.com)

**Registrar to the Issue:** Abhipra Capital Limited  
Address: GF- Abhipra Complex, Dilkhush Industrial Area  
A-387, G.T. Karnal Road Azadpur, Delhi-110033  
Contact Person: Mr. Rawat  
Tel: + 91 22 25963838  
Email: [rta@abhipra.com](mailto:rta@abhipra.com)

**Credit Rating Agency:** ICRA Limited  
Address: Building No. 8, Tower A, 2<sup>nd</sup> Floor, DLF Cyber City Phase  
II, Gurgaon – 122002  
Contact Person: Ankit Jain  
Tel: +91 124 4545865  
Email Id: [ankit.jain@icraindia.com](mailto:ankit.jain@icraindia.com)

**Auditor of the Issuer:** M/s. Deloitte Haskins & Sells LLP  
(for FY 2017-18)  
Address: 7<sup>th</sup> Floor, Building 10, Tower B, DLF Cyber City Complex,  
DLF City Phase-II, Gurgaon- 122002, Haryana  
Telephone No.: 0124-6792000  
E-mail: [sunilkothari@deloitte.com](mailto:sunilkothari@deloitte.com)  
Website: [www.deloitte.com](http://www.deloitte.com)



#### **5.4 A brief summary of business / activities of Issuer and its line of business**

##### **(a) Overview:**

APL Apollo Tubes Limited is one of the leading manufacturers of hollow section steel tubes and pre-galvanized steel tubes in the country. The Company is a leading manufacturer and exporter of ERW Black, Hot Dipped Galvanised, Pre-Galvanized Steel Tubes, Hollow Sections & Structural Steel. The Company has certifications like ISO 9001-2008, QHSAS 18001-2007 & ISO 14001-2004 and safety certifications like CE & UL for Europe and USA. The Company has two wholly-owned subsidiaries namely, Apollo Metalex Pvt Ltd and Shri Lakshmi Metal Udyog Ltd. The Company's products by the urban infrastructure industries namely airports, metro stations, automotive segment like bus body manufacturers, construction namely scaffoldings, etc. The Company was incorporated on February 24, 1986 as a private limited company. The Company started a unit at Sikandrabad (UP) to manufacture M. S. Pipe. And then they also set up facilities to manufacture G. I. Pipes. In October 19, 1993, the Company was converted into a public limited company. In 1995, they entered in to capital market by way of a public issue amounting to Rs 438 lakh. In 2002, the company modernized their plant. During the year 2009-10, the Company commissioned world-scale manufacturing facilities at Hosur, Tamil Nadu, with installed capacity of 200,000 MTPA and extend the brand 'APL Apollo' in promising markets. They transformed five of their branches in Ghaziabad, Gurgaon, Jaipur, Pune and Ludhiana to a full-fledged steel product retail chain under the name of APL Apollo Steel World. Also, the name of the company was changed from Bihar Tubes Ltd to APL Apollo Tubes Limited to attain a strategic image makeover and brand building. During the year 2010-11, the company strategically acquired 100% shares of M/s Lloyds Line Pipes Limited (hereinafter known as LLPL) from its erstwhile shareholders in all cash deal, inter-alia making it the Company's wholly-owned subsidiary on November 11, 2010. They opened five additional warehouses-cum- branches at Nagpur, Goa, Bengaluru, Hyderabad and Cochin to cater to the burgeoning demand in various industrial applications, thereby, strengthening the APL Apollo brand. The company's equity shares were listed on National Stock Exchange Ltd. (NSE) with effect from December 14, 2011.

The Company has set the vision 2020 for achieving the capacity up to 2.5 million MTPA including installation and commissioning of new machineries based on HSU technology. The road map of development will take shape in the coming years, consequent to the implementation of government projects and other initiatives undertaken for growth. The strategy and steps taken by the Company in designing new products in steel tubes and pipes segment by innovative means has succeeded in a big way with the production and launch by the Company for the first time in India and other new products like window / door frames designed and patented by the Company will boost the sales of the Company as demand for these products is expected to grow significantly in rural and semi-urban areas of the country. The Company focused on reducing cost of raw materials by procuring through imports, improving efficiencies, reducing cost of borrowings, increasing penetration particularly in Tier II cities, developing new product sizes, finding new markets etc. Due to various other measures taken by the Company, it has maintained steady in its operations.

The Company has increased its capacities by adding new mills and adopting latest technologies across all the plants. To create demands for all diversified products the Company is focusing on creation and spreading of Company's popular Brand APL Apollo across the targeted markets. With this the Company expects to maintain the growth momentum and improve margins.

##### **(b) Corporate Structure:**

The Company has the following subsidiaries:



S. No.	Name of Subsidiaries	Business Carried Out
1	M/s Shri Lakshmi Metal Udyog Limited (SLMUL)	Manufacturers of hollow section steel tubes and pre-galvanized steel tubes
2	M/s Apollo Metalex Private Limited (AMPL)	Manufacturers of hollow section steel tubes and pre-galvanized steel tubes
3	M/s Blue Ocean Projects Private Limited	Real Estate Company

The Company has the following units, engaged in the manufacturing of hollow section steel tubes and pre-galvanised steel tubes:

**Units:**

**Unit – 1**

A-19, Industrial Area, Sikandrabad, Distt. Bulandsahar (U.P.)  
Phone: 95-5735-222504, 223157

**Unit –2**

No. 332-338, Alur Village, Perandapalli, Hosur, Tamil Nadu.  
Phone: 04344-560550

**Unit –3**

Village Bendri, Nandanvan Road, Near Urla Industrial Area, Raipur, Chattisgarh -492001

**Unit –4**

M-1, Additional Murbad Industrial Area - V, Kudawali Murbad, Distt. Thane, Maharashtra

**Branches cum Warehouses**

**Chandigarh**

SCO-246, Pocket No.-1,  
Manimajara, Chandigarh - 160101

**Dehradun (Uttarakhand)**

Behind Hyundai Service Centre, Saharapur Road,  
Subhash Nagar, Dehradun - 248001

**Faridabad (Haryana)**

Khasra No. 12-13, Sahpur Road, Sikri, Ballabhgarh  
Faridabad - 121004, Haryana

**Ghaziabad (Uttar Pradesh)**

103, Prakash Industrial Estate, P.O. - Chikambarpur  
Ghaziabad - 201006, Uttar Pradesh

**Jammu (Jammu & Kashmir)**

Near Railway Bridge, Permandal Morh  
Birpur Road, Jammu - 180010, Jammu & Kashmir

**Jaipur (Rajasthan)**

Sikar Road, Rajawas, Near Bus Stand,  
Jaipur - 302 021, Rajasthan



**Kala Amb (Himachal Pradesh)**

Trilokpur Road,  
Kala Amb, Sirmour - 173030, Himachal Pradesh

**Kanpur (Uttar Pradesh)**

192-B, Dada Nagar, Industrial Area  
Kanpur - 208022, Uttar Pradesh

**Karnal (Haryana)**

Opp. Bansal Rice Mill, New Grain Market, GT Road  
Karnal - 132001, Haryana

**Loha Mandi (Uttar Pradesh)**

14/1, SS G.T. Road, Industrial Area  
Ghaziabad - 201009

**Ludhiana (Punjab)**

41, Vill: Khakat, G.T. Road  
Sahnewal, Ludhiana - 141120, Punjab

**Mandi Gobindgarh (Punjab)**

Plot Number: 6, Sec-18, Near Vimal Kanda,  
Opp. Modern Steel, Mandi Gobindgarh - 147301, Punjab

**New Delhi**

Shop-2, Plot -211, Khasra-584, Karkardooma Village  
New Delhi - 110092

**Rudrapur (Uttarakhand)**

Khasra No.194, Vill - Bhurarani  
Distt. - U. S. Nagar, Rudrapur - 263153, Uttarakhand

**Ahmedabad (Gujarat)**

B.O.Block No.240, Mouje, Navapura  
TalukaSanand, Ahmedabad -382 210, Gujarat

**Goa**

Survey No -203/1, Plot No - 7, NH-17 Highway  
Mushir Wada, ColvaleBardez, Goa - 403513

**Gwalior (Madhya Pradesh)**

Survey No. - 845&847, A.B. Road,  
Near Sacheti Petrol Pump, Transport Nagar  
Gwalior - 474010, Madhya Pradesh

**Indore (Madhya Pradesh)**

13-A, Udyog Nagar, Behind Old Lakhani Factory,  
Nemawar Road, Palda, Indore - 452001, Madhya Pradesh

**Mumbai (Maharashtra)**

KWC - Plot No. 1697, 1698, Road No.21 & 22,  
Steel Market, Kalamboli, Navi Mumbai, Maharastra





**Nagpur (Maharashtra)**  
S.No.-130, Lawa to Bodhada Road  
Lawa, Nagpur - 440023, Maharashtra

**Pune (Maharashtra)**  
S. No. 312/1/11, Opp. Indian Oil Petrol, Handewadi Road  
Village Devachi & Uruli, Pune - 412308, Maharashtra

**Anantapur (Andhra Pradesh)**  
21/1B, UMA Estates, Behind Nalanda Education Institute,  
Gooty Road, Anantapur - 515004, Andhra Pradesh

**Bangalore (Karnataka)**  
77-RE SY No.77/1, SY No.76, Hommadevanahalli Village  
B.G. Road, Bengaluru South - 560083, Karnataka

**Hubli (Karnataka)**  
R S No. 603/1+2, Unkal Village,  
Distt. Dharwad, Hubli, Karnataka

**Hyderabad (Telangana)**  
Survey No.154, Doolapally, Qutubullapur,  
Mandal, Rangareddy, Hyderabad - 500014, Telangana

**Kochi (Kerala)**  
33/2361-B-1(a), Chalikavattom, Near IDBI Bank  
Vytila Bye-Pass, Ernakulam, Kochi - 682019, Kerala

**Vijayawada (Andhra Pradesh)**  
R.S. 48/1, 48/3, 26/1, Bhavaanipuram Bypass  
Besides Reliance Super Market,  
Vijayawada - 520012, Andhra Pradesh

(c) **Project cost and means of financing, in case of funding of new projects:**

NA

(d) **Key Operational and Financial Parameters for the last 3 audited years (on a standalone basis):**

		(Rs. Crores)		
Parameters		FY 2018 (Audited)	FY 2017 (Audited)	FY 2016 (Audited)
Net Worth		905.59	810.73	740.39
Total Debt		737.80	458.10	570.57
Comprising of	Non-Current Maturities of Long Term Borrowing	218.63	209.79	160.72
	Short Term Borrowing	421.33	229.00	367.62
	Current Maturities of	97.84	19.31	42.23



	Long Term Borrowing			
Net Fixed Assets		756.33	621.78	504.08
Non-Current Assets		64.74	78.17	66.27
Cash and Cash Equivalents		1.17	0.65	1.10
Current Investments		391.84	391.16	356.19
Current Assets		928.48	746.46	743.18
Current Liabilities		499.18	569.38	359.85
Net Sales		4431.17	3433.17	3581.17
EBITDA		270.37	225.98	199.58
EBIT		226.40	186.21	148.84
Interest		70.44	62.78	57.57
PAT		155.95	123.43	91.27
Equity Dividend amounts		-	28.35	25.41
Current ratio		1.15	1.03	1.12
Interest Coverage Ratio		3.83	3.60	3.47
Gross Debt/ Equity Ratio		0.81	0.57	0.77
Debt Service Coverage Ratio		1.49	3.71	1.73

**Gross Debt Equity Ratio of the Company:**

Before the issue of the Debentures	0.81:1
After the issue of the Debentures	1.03:1

(e) **Brief history of Issuer since its incorporation**

(i) **Details of Share Capital as on last quarter end i.e. March 31, 2018:**

	Share Capital	Aggregate value at face value (In Rs.)
A)	<b>AUTHORISED SHARE CAPITAL</b>	
	4,50,00,000 Equity Shares of Rs. 10/- Each	45,00,00,000
	<b>Total</b>	<b>45,00,00,000</b>
B)	<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>	
	2,37,29,805 Equity Shares of Rs. 10/- each	23,72,98,050
	<b>Total</b>	<b>23,72,98,050</b>

(ii) **Changes in its capital structure till the last quarter end i.e. March 31, 2018 for the last five years:**

Date of Change	Rs.	Particulars
09/10/2017	23,72,98,050	Increase in the Equity Share Capital of the Company on account of 139850 Employee Stock Option Plan
15/09/2015	23,58,99,550	Increase in the Equity Share Capital of the Company on account of 151319 Employee Stock Option Plan
13/08/2013	23,43,86,360	Increase in the Equity Share Capital of the Company on account of conversion of

		11,15,000 warrants into equity shares
23/03/2013	22,32,36,360	Increase in the Equity Share Capital of the Company on account of conversion of 3,85,000 warrants into equity shares
21/06/2012	21,93,86,360	Increase in the Equity Share Capital of the Company on account of conversion of 6,41,953 warrants into equity shares
13/03/2012	21,29,66,830	Increase in the Equity Share Capital of the Company on account of conversion of 10,00,000 warrants into equity shares

(iii) **Equity Share Capital History of the Company in the past five years, till the last quarter end i.e. March 31, 2018:**

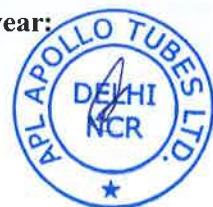
Date of Allotment	No of Equity Shares	Face Value (Rs)	Issue Price (Rs)	Consideration (Cash, other than cash, etc)	Nature of Allotment	Cumulative		Equity Share Premium (in Rs.)
						No. of equity shares	Equity Share Capital	
13/03/2012	10,00,000	10	176	Cash	Conversion of warrants into equity shares	21296683	212966830	13/03/2012
21/06/2012	6,41,953	10	176	Cash	Conversion of warrants into equity shares	21938636	219386360	21/06/2012
23/03/2013	3,85,000	10	145	Cash	Conversion of warrants into equity shares	22323636	223236360	23/03/2013
13/08/2013	11,15,000	10	145	Cash	Conversion of warrants into equity shares	23438636	234386360	13/08/2013
15/09/2015	1,51,319	10	452.60	Cash	Employee Stock Option Plan	23589955	235899550	15/09/2015
09/10/2017	1,39,850	10	452.60	Cash	Employee Stock Option Plan	23729805	237298050	61897610.00

(iv) **Details of any Acquisition or Amalgamation in the last 1 (One) year:**

Merger of Lloyds Line Pipes Limited with the Company on 18<sup>th</sup> October, 2017

(v) **Details of any Reorganization or Reconstruction in the last 1 (One) year:**

N.A.



- (f) Details of the Equity shareholding of the Company as on the latest quarter end, i.e. March 31, 2018:
- (i) Equity Shareholding pattern of the Company as on last quarter end, i.e. March 31, 2018:

Sr. No.	Name of the Shareholder	Total no. of Equity Shares held	No. of Equity Shares held in Physical Form	Total shareholding as % of total no. of Equity Shares
1.	Promoter & Promoter Group	8,840,187	0	37.25%
2.	Public	14,889,618	3	62.75%
<b>Total</b>		<b>23,729,805</b>	<b>3</b>	<b>100.00%</b>

- (ii) List of top 10 holders of equity shares of the Company as on the latest quarter end, i.e. March 31, 2018:

S. No.	Name of the Shareholder	Total no. of Equity Shares held	No. of Equity Shares in Physical form	Total shareholding as % of total no. of Equity Shares
1.	Kitara PIIN 1001	3,00,00,00	0	12.64
2.	IDFC Premier Equity Fund	8,67,063	0	3.65
3.	HDFC Trustee Company Limited - HDFC Prudence	6,72,703	0	2.83
4.	DSP Blackrock Small Cap Fund	9,82,098	0	4.14
5.	Sameer Mahendra Sampat	5,58,500	0	2.35
6.	Narendra Kumar Agarwal jointly with Suresh Kumar Agarwal	4,00,000	0	1.69
7.	Ashish Kacholia	4,00,000	0	1.69
8.	Kitara PIIN 1101	8,52,000	0	3.59
9.	Goldman Sachs India Limited	6,26,434	0	2.64
10.	Kotak Emerging Equity Scheme	3,37,094	0	1.42
<b>Total</b>		<b>23,490,801</b>	<b>0</b>	<b>36.64</b>

- (g) Following details regarding the directors of the Company:

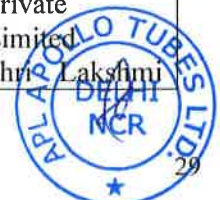
- (i) Details of current directors of the Company\*:

This table sets out the details regarding the Company's Board of Directors as on date of the Information Memorandum:

Name, Designation, Occupation and DIN	Age	Address	Director of the Issuer since	Details of other Directorships (as on 31/12/2016)
Sanjay Gupta Designation: Chairman	45	106, Hargovind Enclave, Vikas	02/09/2003	I. APL Infrastructure



Occupation: Business DIN: 00233188		Marg, Delhi 110092		Private Limited II. Blue Ocean Projects Private Limited III. Shri Lakshmi Metal Udyog Limited V. Apollo Metalex Private Limited V. Apollo Pipes Limited
Ashok K. Gupta Designation: Managing Director Occupation: Service DIN: 01722395	60	C-380, Yojna Vihar, Delhi – 110092	19/10/2011	I. Sanu Steels Private Limited II. Jindal Stainless (Hisar) Limited III. Global Sparenparts Private Limited
S T. Gerela Designation: Independent Director Occupation: Professional DIN: 01565534	78	34, New Silverline, Home 15, Kantwadi Road, Bandra (West) Mumbai	16/05/2008	I. Mirae Asset Trustee Company Private Limited II. Satco Capital Markets limited III. Satco Commodities Private Limited IV. Apollo Metalex Private Limited V. Shri Lakshmi Metal Udyog Limited
Vinay Gupta Designation: Director Occupation: Business DIN: 00005149	40	106, Hargovind Enclave, Vikas Marg, Delhi 110092]	16/05/2008	I. Apl Infrastructure Private Limited II. Shri Lakshmi



				<p>III. Metal Udyog Limited</p> <p>V. Apollo Metalex Private Limited</p> <p>V. Blue Ocean Projects Private Limited</p>
<p>Abhilash Lal</p> <p>Designation: Independent Director</p> <p>Occupation: Professional</p> <p>DIN: 03203177</p>	52	<p>H. No. C-192,DLF Ph-2, Belvedere Park Towers, Gurgaon-122002</p>	12/02/2014	<p>I. VAR Resolution Professionals Private Limited</p> <p>II. Omkar Clean Energy Services Private Limited</p> <p>III. Ganesha Ecosphere Limited</p> <p>IV. East Delhi Waste Processing Company Limited</p>
<p>Anil Kumar Bansal</p> <p>Designation: Independent Director</p> <p>Occupation: Professional</p> <p>DIN: 06752578</p>	63	<p>S-34, Greater Kailash-II, New Delhi-110048</p>	04/08/2014	<p>I. Credit Analysis And Research Limited</p> <p>II. GVFL Trustee Company Private Limited</p> <p>II. VIG K Finance Private Limited</p> <p>V. Rockland Finstock Limited</p>
<p>Neeru Abrol</p> <p>Designation: Independent Director</p> <p>Occupation: Professional</p> <p>DIN: 01279485</p>	61	<p>K-3,Lajpat Nagar-III, New Delhi</p>	24/03/2015	<p>I. IFCI Venture Capital Funds Limited</p> <p>II. IFCI Infrastructure Development Limited</p> <p>II. East Delhi Waste Processing</p>



				Company Limited V. RDF Power Projects Limited V. Dakshin Dilli Swachh Initiatives Limited VI. Apollo Pipes Limited II. Jindal United Steel Limited II. TCNS Clothing Co. Limited
Romi Sehgal Designation: Director Occupation: Service DIN: 03320454	56	E-103, The Residency, Ardee City, Sector 5, Gurgaon, Haryana	13/08/2016	I. Apollo Metalex Private Limited
Virendra Singh Jain Designation: Independent Director Occupation: Professional DIN: 00253196	70	B-12, 'Saket', 2nd Floor Gyan Bharti School Lane, South Delhi-110017	28/01/2017	I. Dalmia Bharat Limited II. Capricorn Food Products India Limited III. Dahej SEZ Limited

\*None of the Directors of the Company appear on the RBI Defaulter list and/or the ECGC Defaulter list.

(ii) Details of change in directors since last three years:

Name, Designation and DIN	Date of Appointment/Resignation	Director of the Company since (in case of resignation)	Remarks
Mr. Rakesh Jinsi Director DIN: 00182187	30.08.2013	23.03.2013	Resigned
Mr. Abhilash Lal Director DIN: 03203177	12.02.2014	NA	Appointed
Mr. C.S. Johri Director DIN: 00005312	04.08.2014	18.02.2005	Resigned
Mr. Anil Kumar Bansal Director DIN: 06752578	04.08.2014	NA	Appointed
Mr. S.T Gerela Director DIN: 01565534	30.09.2014	16.05.2008	Resigned



Ms. Neeru Abrol Director DIN: 01279485	25.03.2015	NA	Appointed
Mr. Aniq Husain Director DIN: 01435138	09.05.2015	16.05.2008	Resigned
Mr. Sameer Gupta Director DIN: 00005209	30.05.2016	16.05.2008	Resigned
Mr. Romi Sehgal Director DIN: 03320454	13.08.2016	NA	Appointed
Mr. Sharad Mahendra Whole Time Director DIN: 02100401	29.10.2016	23.01.2018	Resigned
Mr. Virendra Singh Jain Director DIN: 00253196	28.01.2017	NA	Appointed

(h) **Following details regarding the auditors of the Company:**

(i) **Details of the auditor of the Company:**

Name of the Auditor	Address	Auditor since
M/s. Deloitte Haskins & Sells LLP	7 <sup>th</sup> Floor, Building 10, Tower B, DLF Cyber City Complex, DLF City Phase-II, Gurgaon-122002	28 <sup>th</sup> August, 2015

(ii) **Details of change in auditors since last three years:**

Name	Address	Date of Appointment / Resignation	Auditor of the Company since in case of resignation)	Remarks
VAPS & co.	C-42, South Extension Part-II New Delhi - 110049	Since Incorporation	Resignation dated 28 July, 2015	Unwillingness expressed and accepted by the company.

(i) **Details of borrowings of the Company, as on latest quarter end March 31, 2018:**





(i) **Details of Secured Loan Facilities**

Lender's Name	Type of Facility	Amt Sanctioned (In Crores)	Principal Amt outstanding	Repayment Date / Schedule	Security
State Bank of India	Working Capital	360.00	59.37	NA	Working Capital are secured by first pari passu charge on entire present and future current assets and second pari passu charge on movable fixed assets situated at Sikandarabad, Hosur, Murbad and Raipur of the company, and further secured by second charge by EM of Factory Land and Building situated at Plot No. A-19/A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village, Perandapalli, Hosur, Tamilnadu and Khasra no. 215,223/1, 225/7-8, 227/4, 231/2, 217/1-2 (pt), 231/6 (pt) admeasuring 3.172 hectare, situated at Village Bendri, Tehsil-Raipur, District-Raipur (Chhattisgarh) . Credit facilities are further secured by personal guarantee of Mr. Sanjay Gupta and Mr. Vinay Gupta.
Union Bank of India	Working Capital	214.00	51.17	NA	
HDFC Bank Limited	Working Capital	60.00	19.14	NA	
HSBC Bank Limited	Working Capital	100.00	100.00	NA	
Yes Bank Limited	Working Capital	25.00	1.56	NA	
Axis Bank Limited	Working Capital	165.00	23.45	NA	
BNP Paribas India	Working Capital	50.00	20.00	NA	
DBS Bank Limited	Working Capital	76.00	0.00	NA	
Axis Bank	Term Loan	50.00	12.14	31/03/2019	Term Loan are secured by first pari-passu charge on movable fixed assets situated at Sikandarabad, Hosur, Murbad and Raipur of the company and second charge on entire (present and future) current assets of the company, and EM of Factory Land and Building situated at Plot No. A-19 and A-20, Sikandarabad Industrial Area, Distt. Bulandshahar, Uttar Pradesh and Plot No. 332 to 338, Alur Village,
HDFC Bank Limited	Term Loan	50.00	47.27	31/10/2022	
IDFC Bank	Term Loan	50.00	33.34	31/03/2020	

					Perandapalli, Hosur, Tamilnadu and Khasra no. 215,223/1, 225/7-8, 227/4, 231/2, 217/1-2 (pt), 231/6 (pt) admeasuring 3.172 hectare, situated at Village Bendri, Tehsil-Raipur, District-Raipur (Chhattisgarh) . Credit facilities are further secured by personal guarantee of Mr. Sanjay Gupta and Mr. Vinay Gupta.
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(ii) **Details of Unsecured Loan Facilities**

NIL

(iii) **Details of Non-Convertible Debentures**

Debenture series	Tenor / period of maturity	Coupon	Amount	Date of allotment	Redemption schedule	Credit rating	Secured /unsecured	Security
First issue	4 years	11.5%	75 Crores	28/09/2015	Interest payable each year	CARE	Secured	Same as credit facilities availed from term lenders
First issue	3 years	8.20%	50 Crores	28/03/2017	Interest payable each year	ICRA	Secured	Same as credit facilities availed from term lenders
First issue	1 years	7.87%	75 Crores	13/09/2017	Interest payable each year	CRISIL	Secured	Same as credit facilities availed from term lenders

(iv) **List of Top 10 Debenture Holders as at March 31, 2018:**

Sr. No.	Name of Debenture Holders	Amount
1.	HDFC Asset Management Company	Rs. 75 Crores
2.	Kotak Mahindra Bank Limited	Rs. 50 Crores
3.	SBI Savings Fund	Rs. 75 Crores



(v) **Amount of corporate guarantee issued by the Issuer along with the name of the counter party issued by the Issuer:**

The Company has issued corporate guarantees for borrowings availed by its subsidiaries, as identified below, for an amount aggregating upto Rs. 203 Crores:

- i. Corporate Guarantee in favour of HDFC Bank and Axis Bank for an amount of Rs.70 crores and Rs.30 crores respectively, for borrowing availed by Apollo Metalex Private Limited; and
- ii. Corporate Guarantee in favour of HDFC Bank and Union Bank of India for an amount of Rs.53 crores and Rs.50 crores respectively for borrowing availed by Shri Lakshmi Metal Udhyog Limited.

(vi) **Foreign bank guarantees / SBLC issued on behalf of the Issuer:**

NIL

(vii) **Details of Commercial Paper:**

Amount	Maturity Date
50,00,00,000	29-Jun-18
25,00,00,000	28-Jun-18
50,00,00,000	29-Jun-18
50,00,00,000	25-Jun-18
40,00,00,000	3-Sept-18
25,00,00,000	25-Jun-18
25,00,00,000	25-Jun-18
50,00,00,000	20-Jun-18
110,00,00,000	10-Sept-18
25,00,00,000	26-Jun-18
50,00,00,000	22-Jun-18

(viii) **Details of other borrowings:**

NIL

- (ix) In the past five years, there have been no default/s by the Issuer, nor have there been any delays in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer.
- (x) As of March 31, 2018, there are no outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option.



- (j) **Details of Promoter holding in Company as on the latest quarter end, i.e. March 31, 2018:**

Sr. No.	Name of the shareholders	Total no. of Equity Shares	No. of Equity Shares in Physical form	Total shareholding as % of total no. of Equity Shares	No. of Equity Shares pledged	% of Equity Shares pledged with respect to shares owned
1.	Ashok Kumar Gupta	65000	65000	0.27	0	0
2.	Veera Gupta	750000	750000	3.16	0	0
3.	APL Infrastructure Pvt Ltd	8025187	8025187	33.82	0	0
<b>Total</b>		<b>8840187</b>	<b>8840187</b>	<b>37.25</b>	<b>-</b>	<b>-</b>

- (k) **Abridged version of the audited consolidated and standalone financial information (like profit and loss statement, balance sheet and cash flow statement) for at least last three years and auditor qualifications, if any.**

Attached to this Information Memorandum in **Annexure IV**.

- (l) **Abridged version of latest audited / unaudited consolidated and standalone financial information (like profit and loss statement, balance sheet and cash flow statement) and auditors qualification, if any.**

Attached to this Information Memorandum in **Annexure IV**.

- (m) **Any material event/ development or change having implications on the financials / credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event, etc.) at the time of Issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.**

The Issuer hereby declares that there has been no material event, development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event, etc.) at the time of Issue from the position as on the date of the last audited financial statements of the Issuer, which may affect the Issue or the investor's decision to invest/ continue to invest in the debt securities of the Issuer.

## **5.5 Name and address of the Debenture Trustee**

The Debenture Trustee is SBICAP Trustee Company Limited and its address has been set out in the cover page. The Debenture Trustee has vide its letter no. DEL/RAT/2018-19/B-41/1 dated 14<sup>th</sup> May 2018 has given its consent to the Issuer for its appointment as the Debenture Trustee for the aforesaid issue under Regulation 4(4) of SEBI Regulations.





**5.6 The rating rationale (s) adopted (not older than one year on the date of opening of the issue)/ credit rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies**

The Rating Agency has assigned a rating of '[ICRA] AA- Stable outlook' in respect of the Debentures. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. Please refer to Annexure I of this Information Memorandum for, the letter no. DEL/RAT/2018-19/B-41/1 dated 14<sup>th</sup> May 2018 from the Rating Agency assigning the credit rating abovementioned and the rating rationale adopted by the Rating Agency for the aforesaid rating.

Other than the credit ratings mentioned hereinabove, the Issuer has not sought any other credit rating from any other credit rating agency(ies) for the Debentures offered for subscription under the terms of this Disclosure Document.

**5.7 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.**

The Debentures are not backed by a guarantee or letter of comfort or any other document/letter with similar intent.

**5.8 Copy of consent letter of Debenture Trustee to act as the debenture trustee to the issue to be disclosed:**

Attached to this Information Memorandum in **Annexure II**

**5.9 The Debentures are proposed to be listed on WDM segment of BSE.**

**5.10 Other details**

**(a) DRR Creation:**

As per the provisions of the Companies Act, any company that intends to issue debentures must create a debenture redemption reserve to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. Accordingly, the Company will create the necessary reserve to fulfill its obligations in relation to the Debentures.

**(b) Issue / instrument specific regulations:**

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act, 2013, the provisions of the Companies Act, 1956 which have not been repealed as yet, the rules made thereunder and the SEBI Regulations.

**(c) Application process**

The application process for the issue is as provided in Section 7 of this Information Memorandum.



## 5.11 Issue Details

### Summary term sheet for Debentures

*Please note that the Debenture Trust Deed to be executed in connection with the issuance of the Debentures has been finalized, and the execution version of the same is available with the Debenture Trustee for the purposes of review by any applicant. The key terms of the same have been summarized below; however, in the event of any conflict between these terms and the Debenture Trust Deed, the terms of the Debenture Trust Deed shall prevail.*

<b>Issuer</b>	APL Apollo Tubes Limited
<b>Sponsor / Promoter</b>	Sanjay Gupta, Ashok K. Gupta, Vinay Gupta
<b>Sole Arranger</b>	RBL Bank Ltd.
<b>Type of Instrument</b>	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures ("Debentures"/ "NCDs")
<b>Nature of Instrument</b>	Secured
<b>Seniority</b>	Senior
<b>Mode of Issue</b>	Private Placement
<b>Eligible Investors</b>	Only those investors when specifically contacted are eligible to invest in these NCDs.
<b>Listing (including name of stock exchange(s) where it will be listed and timeline for listing)</b>	On WDM Segment of BSE Limited  In case of delay in listing of the debt securities beyond 20 (Twenty) days from the Deemed Date of Allotment, the Company will pay penal interest of at least 1% (One Percent) p.a. over the Coupon rate from the expiry of 30 (Thirty) days from the Deemed Date of Allotment till the listing of the Debentures.
<b>Rating of the Instrument</b>	AA- (stable), by ICRA Rating Agency
<b>Issue Size</b>	Series 1 Debentures - INR 100 Crores (Rupees One Hundred Crores Only) Series 2 Debentures - INR 95 Crores (Rupees Ninety Five Crores Only) Aggregating INR 195 Crores (Rupees One Hundred and Ninety Five Crores Only)
<b>Option to retain oversubscription (amount)</b>	Not applicable
<b>Objects of the issue</b>	To raise debt to the extent of Rs.195,00,00,000/- which shall be utilized as set out in the row titled 'Details of the utilization of the Proceeds' below.
<b>Details of the utilization of the proceeds</b>	The monies raised from the issuance of Debentures, shall be utilized towards long term working capital requirements and other general corporate purposes including repayment of existing debts.



	The proceeds from the issuance shall not be utilized for investment in capital markets, real estate, speculative purposes or other activities prohibited by RBI.
<b>Coupon Rate</b>	Series 1 Debentures - 8.65% p.a. Series 2 Debentures – 8.68% p.a.  In case, the payment date is a holiday, the principal + interest shall be payable on the previous working day.
<b>Step Up/Step Down Coupon rate</b>	The Coupon rate will increase in the event of credit rating downgrade, as more particularly described in “Rating Covenant” in the summary terms set out in this Section.
<b>Coupon payment frequency</b>	Annual.
<b>Coupon payment dates</b>	July 8, 2019, July 6, 2020 and July 6, 2021.
<b>Coupon Type</b>	Fixed Coupon.
<b>Coupon Reset Process (Including rates, spread, effective date, interest rate cap and floor etc.)</b>	N.A.
<b>Day Count Basis</b>	Actual /Actual
<b>Interest on Application Money</b>	At the Coupon rate (subject to deduction of tax of source, as applicable) from the date of realization cheque(s) / demand draft(s) / date of receipt of funds up to one day prior to the Deemed Date of Allotment.
<b>Default Interest Rate</b>	Upon the occurrence of any Event of Default including any default in the payment of any amount payable under this Deed or any other Transaction Document or in relation to the Debentures (whether by way of acceleration, at maturity or otherwise), the Company shall pay an additional interest of 2% (Two Percent) per annum over and above the applicable Coupon / rate of Coupon on the outstanding principal amount of the Debentures, calculated from the date of occurrence of such Event of Default until such Event of Default is cured or the Debentures are redeemed pursuant to such default, as applicable.
<b>Tenor</b>	Series 1 Debentures - 36 months from the Deemed Date of Allotment.  Series 2 Debentures – 36 months from the Deemed Date of Allotment
<b>Redemption Date</b>	Series 1 Debentures - Subject to the Call Option / Put option, July 6, 2021.  Series 2 Debentures - Subject to the Call Option / Put option, July 6, 2021.



<b>Redemption Amount</b>	<p>Series 1 Debentures - Rs.100,00,00,000/- (Rupees One Hundred Crores only) payable on the Principal Payment Date, together with accrued Coupon in relation thereto.</p> <p>Series 2 Debentures - Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) payable on the Principal Payment Date, together with accrued Coupon in relation thereto.</p>
<b>Redemption Premium / Discount</b>	N.A.
<b>Issue Price</b>	Rs.10,00,000/- (Rupees Ten Lakhs only) per debenture.
<b>Discount at which security is issued and the effective yield as a result of such discount</b>	Not Applicable
<b>Put Option Date</b>	<p>Series 1 Debentures - The Debenture Holders shall be entitled to require the Company to redeem the entire Series 1 Debentures ("<b>Put Option</b>") at the end of 12 months and at the end of 24 months from the Deemed Date of Allotment.</p> <p>Series 2 Debentures - The Debenture Holders shall be entitled to require the Company to redeem the entire Series 2 Debentures ("<b>Put Option</b>") at the end of 24 months from the Deemed Date of Allotment.</p>
<b>Put Option Price</b>	At par along with accrued Coupon.
<b>Call Option Date</b>	<p>Series 1 Debentures - The Company shall be entitled to redeem the entire Series 1 Debentures ("<b>Call Option</b>") at the end of 12 months and at the end of 24 months from the Deemed Date of Allotment.</p> <p>Series 2 Debentures - The Company shall be entitled to redeem the entire Series 2 Debentures ("<b>Call Option</b>") at the end of 24 months from the Deemed Date of Allotment.</p>
<b>Call Option Price</b>	At par along with accrued Coupon.
<b>Put Notification Time</b>	<p>In the event that the Debenture Holders are desirous of exercising the Put Option, on the Put Option Date, the Company shall provide the Company at least 45 (Forty Five) calendar days prior to the Put Option Date.</p> <p>On issuing of the Put Option Notice, the Company shall compulsorily redeem the relevant Debentures i.e. Series 1 Debentures and/or Series 2 Debentures, as the case may be, on a <i>pari passu</i> basis and make payment of the Principal Amount along with the accrued Coupon to the Debenture Holders.</p>
<b>Call Notification Time</b>	In the event that the Company is desirous of exercising the Call Option, on the Call Option Date, the Company shall provide the Debenture Trustee with a notice of at least 45 (Forty Five) calendar days prior to the Call Option Date.





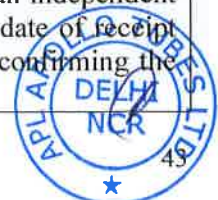
	On issuing of the Call Option Notice, the Company shall compulsorily redeem the relevant Debentures i.e. Series 1 Debentures and/or Series 2 Debentures, as the case may be, on a <i>pari passu</i> basis and make payment of the Principal Amount along with the accrued Coupon to the Debenture Holders.
<b>Face Value</b>	Rs. 10,00,000/- (Rupees Ten Lakhs) per instrument.
<b>Minimum application and in multiples of</b>	The minimum application size for the Issue shall be 1 (One) Debenture and in multiples of 1 (One) thereafter.
<b>Issue Timing</b> 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	6 <sup>th</sup> July, 2018
<b>Issuance mode of the Instrument</b>	Demat only
<b>Trading mode of the Instrument</b>	Demat only
<b>Settlement mode of the Instrument</b>	Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT / RTGS / other permitted mechanisms
<b>Depository</b>	NSDL & CDSL
<b>Business Day Convention</b>	<p>In case the date for performance of any event or any Coupon Payment Date falls on a day which is not a Business Day the payment to be made on such Due Date or the due date for such performance of the event shall be made on the next Business Day, except where the Redemption Date, the Call Option Date (if any), the Put Option Date (if any) and/or the Accelerated Put Option Date, falls on a day which is not a Business Day, in which case all payments to be made on such dates (including accrued Coupon) shall be made on the immediately preceding Business Day.</p> <p><b>Business Day</b>” shall mean any day of the week (excluding Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which the money market is functioning in Mumbai and <b>“Business Days”</b> shall be construed accordingly.</p>
<b>Record Date</b>	With reference to each Series, the date which will be used for determining the Debenture Holders for that Series who shall be entitled to receive the amounts due on any due date, which shall be the date falling 15 (Fifteen) days prior to any due date. Provided however it is clarified that where any Record Date falls on a day other than a Business Day, then in such case the Record Date shall be the day which is the immediately preceding Business Day.



<b>Security (including description, type of security, type of charge, like date of creation of security, minimum security cover, revaluation, replacement of security)</b>	<p>The Debentures are proposed to be secured by (i) first ranking pari-passu charge in the nature of mortgage on all rights, title, interest possessed by the Company arising out of the rights vested in the Company in relation to the Immoveable Property, Chattisgarh Immoveable Property and UP Immoveable Property, (ii) first ranking pari-passu charge in the nature of hypothecation on Hypothecated Assets 1 and (iii) second ranking pari-passu charge in the nature of hypothecation on Hypothecated Assets 2.</p> <p>The Security is to be created on the Secured Assets within a period of 60 (Sixty) days from the Deemed Date of Allotment. If the Security is not created with 60 (Sixty) days from the Deemed Date of Allotment, then Company will be bound to, at the option of the Debenture Holders: (i) refund the subscription money with agreed Coupon rate; or (ii) pay penalty of at least 2% (Two Percent) p.a. over the Coupon rate from the expiry of 60 (Sixty) days from the Deemed Date of Allotment till the conditions for creation of Security is complied with.</p> <p>The security cover expected to be provided by the Secured Assets is 1.25 (One Decimal Point Two Five) times the aggregate of the Debenture Outstandings.</p> <p>In this regard, the Company shall prior to the date on which the security is created (i.e., prior to 60 days from Deemed Date of Allotment) provide relevant title search and valuation reports in respect of the Secured Assets.</p>
<b>Personal Guarantor(s)</b>	<p>Mr. Sanjay Gupta and Mr. Vinay Gupta</p>
<b>Transaction Documents</b>	<ul style="list-style-type: none"> <li>▪ this Information Memorandum and PAS 4 documents;</li> <li>▪ Debenture Trustee Agreement;</li> <li>▪ Debenture Trust cum Mortgage Deed;</li> <li>▪ Documents executed in connection with creation of the mortgage or for recording the creation of the mortgage over the Immoveable Property, Chattisgarh Immoveable Property and UP Immoveable Property;</li> <li>▪ Deed of Hypothecation;</li> <li>▪ Deed of Personal Guarantee;</li> <li>▪ Rating Letter and Credit Report from the Rating Agency;</li> <li>▪ Letter of appointment of Registrar and Transfer Agent;</li> <li>▪ Listing Agreement with BSE; and</li> <li>▪ Any other documents that may be designated by the Debenture Trustee as a Transaction Document.</li> </ul> <p>A final / executed copy of the same shall be provided to Sole Arranger either hard copy or through email.</p>



<p><b>Conditions Precedent Disbursement</b></p>	<p style="text-align: center;"><b>to</b></p> <ol style="list-style-type: none"> <li>1. A certified true copy of the constitutional documents of the Company (being its memorandum and articles of association and certificate of incorporation) should have been submitted to the Debenture Trustee which has been duly amended in the form and manner satisfactory to the Debenture Trustee.</li> <li>2. A copy of a resolution of the shareholders of the Company should have been submitted to the Debenture Trustee.</li> <li>3. A copy of a resolution of the board of directors of the Company should have been submitted to the Debenture Trustee.</li> <li>4. Execution of Information Memorandum.</li> <li>5. Valid rating letter and detailed credit opinion from the Rating Agency.</li> <li>6. Appointment of Debenture Trustee.</li> <li>7. No Event of Default has occurred and is continuing and no such event or circumstance will result as a consequence of the Company performing any obligation contemplated under the Transaction Documents.</li> <li>8. There is no material adverse effect and there is no circumstances existing which could give rise, with the passage of time or otherwise, to a material adverse effect on the Issuer.</li> <li>9. A certificate issued by an independent Chartered Accountant certifying that there are no proceedings or claims for the recovery of any Tax pending against the Company including without limitation any income tax proceedings requiring it to obtain the consent of the Assessing Officer under Section 281(1) of the Income Tax Act, 1961 for the purpose of creating the security interests in terms of Transaction Documents;</li> <li>10. Appointment of Registrar and Transfer Agent</li> <li>11. Execution of Transaction Documents duly stamped as applicable (except Debenture Trust Deed, Deed of Hypothecation and documents executed in connection with creation of mortgage or recording the creation of the mortgage).</li> <li>12. Such other conditions as may be mutually agreed.</li> </ol>
<p><b>Conditions Subsequent Disbursement</b></p>	<p style="text-align: center;"><b>to</b></p> <ol style="list-style-type: none"> <li>1. The Company shall ensure that within a period of 30 (Thirty) days from the date of creation of the security, the relevant security provider shall file the relevant forms with the Registrar of Companies, as required under the provisions of the Act or other statutory body/authority as may be required under the applicable law for the purposes of recording the creation of the relevant security interest.</li> <li>2. The Company shall obtain an end use certificate from an independent Chartered Accountant within 30 (thirty) days from the date of receipt of Subscription Money for the issue of the Debentures confirming the end use.</li> </ol>



	<ol style="list-style-type: none"> <li>3. The Company shall maintain a complete record of this Information Memorandum in Form PAS-5 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014 as per the applicable law.</li> <li>4. Execution of the Debenture Trust Deed, Deed of Hypothecation and documents executed in connection with creation of mortgage or recording the creation of the mortgage, to be completed within 60 (Sixty) days from the Deemed Date of Allotment.</li> <li>5. The Company shall undertake to complete all formalities and pay all fees in relation to listing of the Debentures on the BSE within 7 (Seven) Business Days from the Deemed Date of Allotment.</li> <li>6. Such other conditions as may be mutually agreed.</li> </ol>
<b>Events of Default</b>	<p>Such events of default as is standard for an issuance of this size and nature, including but not limited the following:</p> <ol style="list-style-type: none"> <li>1. Failure to pay the amounts due under the NCDs.</li> <li>2. Failure for Security Perfection within the stipulated time.</li> <li>3. Breach of any Covenant and/or term of the NCDs.</li> <li>4. Failure to List or cessation of listing of NCDs.</li> <li>5. Any material adverse event, as defined in Transaction Documents.</li> <li>6. Unlawfulness or Unenforceability of transaction documents, finance or security.</li> <li>7. Breach of any Representations &amp; Warranties.</li> </ol>
<b>Provisions related to Cross Default Clause</b>	Any Financial Indebtedness of the Company is not paid when due and the applicable cure period has lapsed without the Company remedying the same.
<b>Role and Responsibilities of Debenture Trustee</b>	<ol style="list-style-type: none"> <li>1. The Debenture Trustee shall hold and accept the security interest including the mortgage for and on behalf of the Debenture Holders.</li> <li>2. The Debenture Trustee shall enter into / issue / acknowledge / confirm any agreements / deeds / letters / forms with the Company or any other entity identified by the Company for creation, perfection of the security interests or any other agreements for and on behalf of and for the benefit of the Debenture Holders.</li> <li>3. Such other role and responsibilities as more particularly described in the Debenture Trust Deed.</li> </ol>
<b>Governing Law and Jurisdiction</b>	The Debentures and the terms thereof will be governed by and construed in accordance with the laws of India and any disputes in relation thereto shall be subject to the non-exclusive jurisdiction of courts and tribunals in Tamil Nadu.
<b>Covenants</b>	The Transaction Documents shall contain the following covenants, as more particularly mentioned in the Debenture Trust Deed:





**Management and shareholding covenants:**

1. The Company shall ensure that there shall be no change in Management Control of the Company.
2. The Company shall ensure that at all times the Promoters hold at least 26% (Twenty Six Percent) of the equity shareholding in the Company, taken on a fully diluted basis.

**Financial Covenants:**

During the tenor of the Debentures, following financial covenants shall be applicable on consolidated basis as under:

Ratio of Financial indebtedness to Tangible net worth shall not exceed 2.00 where,

Financial Indebtedness shall include, in relation to the Issuer:

- (i) monies borrowed;
- (ii) any amount availed of by acceptance of any credit facility;
- (iii) any amount raised pursuant to the issuance of any notes, bonds, shares (whether redeemable or otherwise), debentures, loan stock or any other similar securities or instruments;
- (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted principles of accounting in India, be treated as a finance or capital lease;
- (v) any financing against receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (viii) any obligations under a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (ix) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (viii) above.

and

Tangible Net-worth shall mean Total Shareholders Fund Excluding Revaluation Reserves.

Minimum Debt Service Coverage Ratio of 1.20 to be maintained where,

$$DSCR = \frac{\{PAT + \text{non cash expenses} + \text{interest}\}}{\{(\text{Interest \& Financial Charges on total Financial Indebtedness} + \text{Term Loan Repayments in next Financial year})\}}$$





	<p>Ratio of the Financial indebtedness to EBITDA shall not exceed 4.0 where</p> <p>EBITDA = Earnings before Interest, Actual Direct Tax Paid and Depreciation (and Amortisation)</p> <p>Financial Covenants To be tested annually based on the annual audited results and on a consolidated basis</p> <p><b>Rating Covenants</b></p> <p>In the event long term rating assigned to the Debentures / Company by any SEBI registered rating agency is downgraded (as evidenced by press release on the rating agency's website or otherwise) and so long as the rating is A or above, the Debenture Trustee shall (acting on the instructions of the Majority Debenture Holders) determine whether to require the Company to accelerate the redemption of all outstanding principal and coupon due on the debenture or to continue the debentures with a step up. In the case of acceleration, the Debenture Trustee shall (acting on the instructions of the Majority Debenture Holders) be entitled to require the Company to accelerate the redemption of all outstanding principal and coupon due on the debenture by sending a written notice to the Company in this regard. In the case of continuation, the Coupon rate on the Debentures shall increase by 25 bps for every notch of downgrade. Such increase in Coupon rate will be effective from the date of such downgrade.</p> <p>Without prejudice to the above, in the event that long term rating assigned to the Debentures / Company by any SEBI registered rating agency falls below A (as evidenced by press release on rating agency website or otherwise), the Debenture Trustee shall (acting on the instructions of the Majority Debenture Holders) be entitled to require the Company to accelerate the redemption of all outstanding principal and coupon due on the debenture by sending a written notice to the Company in this regard. 51% or above of the Debenture Holders shall constitute Majority Debenture Holders.</p>
<b>Expenses</b>	All expenses related to the issue including but not limited to costs relating to stamp duty, legal fee, credit rating charges and other expenses will be to the account of the Issuer.
<b>Taxes and Deductions</b>	All payments to be made by the Issuer to a holder of a Debenture shall be made free and clear of and without any Tax Deduction/with-holding, unless the Issuer is required to make a Tax Deduction/with-holding by law, in which case the Issuer shall make that Tax Deduction in accordance with the Tax Act and deliver to that holder a tax deduction certificate in the format prescribed under the Tax Rules and within the time prescribed under the Tax Rules. Stamp taxes and value added taxes (including service tax) payable in connection with the Debenture Documents are for the account of the Issuer.



<b>Representations and Warranties</b>	<p>The Transaction Documents shall include (but shall not be limited to) the following representations and warranties by the Issuer, and as more particularly mentioned in the Debenture Trust Deed :</p> <ul style="list-style-type: none"> <li>• Status</li> <li>• Binding obligations</li> <li>• Non- conflict with other obligations</li> <li>• Power and authority</li> <li>• Validity and admissibility in evidence</li> <li>• Certified copies</li> <li>• Governing law and enforcement</li> <li>• No filing</li> <li>• Compliance with tax laws</li> <li>• Projects</li> <li>• No misleading information</li> <li>• Financial statements</li> <li>• No proceedings pending</li> <li>• Insolvency</li> <li>• Security</li> <li>• Transaction Documents</li> <li>• No immunity</li> <li>• Miscellaneous</li> <li>• No material adverse change</li> <li>• Listing</li> <li>• Audited/unaudited financial accounts</li> </ul>
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**5.12 Disclosures pertaining to wilful default:**

- (a) Name of the bank declaring the entity as a wilful defaulter: NIL
- (b) The year in which the entity is declared as a wilful defaulter: NIL
- (c) Outstanding amount when the entity is declared as a wilful defaulter: NIL
- (d) Name of the entity declared as a wilful defaulter: NIL.
- (e) Steps taken, if any, for the removal from the list of wilful defaulters: NIL
- (f) Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions: NIL



**DISCLOSURES UNDER THE COMPANIES ACT  
FORM NO. PAS – 4**

**PRIVATE PLACEMENT OFFER LETTER**

(Pursuant to Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014)

**1.2 General Information:**

- (a) **Name, address, website and other contact details of the Company, indicating both registered office and the Corporate office:**

Please refer Section 5.3 of this Information Memorandum

- (b) **Date of Incorporation of the Company:**

February 24 1986

- (c) **Business carried on by the Company and its subsidiaries with the details of branches or units, if any:**

Please refer to Section 5.3(a) and 5.3(b) of this Information Memorandum

- (d) **Brief particulars of the management of the Company:**

The Company is managed by the current Directors of the Company. For details of the current Directors, please refer to Section 5.3(g) (i) of this Information Memorandum.

- (e) **Name, address, DIN and occupations of the directors:**

Please refer Section 5.3(g)(i) of this Information Memorandum

- (f) **Management perception of Risk Factors:**

Please refer to Section 3 of this Information Memorandum.

- (g) **Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:**

(i)	Statutory Dues	:	NIL
(ii)	Debenture and interest thereon	:	NIL
(iii)	Deposits and interest thereon	:	NIL
(iv)	Loans from banks and financial institutions and interest thereon	:	NIL

- (h) **Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:**

Please refer to page number 15, sub-section 5.3 of this Information Memorandum

**1.3 Particulars of the Offer:**

Date of passing of Board Resolution	The board resolution for the issuance of Debentures have been passed on September 9, 2017 read with the resolution passed on May 25, 2018 and resolution passed by the Finance Committee of Board of Directors on June 26, 2018. The copy of the said resolutions are annexed hereto and marked collectively as <b>Annexure X</b> .
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Date of passing of resolution in general meeting, authorizing the offer of securities	<p>The shareholder resolution for receiving consent of the shareholders of the Company under Section 42 of the Companies Act, 2013 has been passed on December 12, 2017. The copy of the said shareholders resolution is annexed hereto and marked as <b>Annexure XI</b>.</p> <p>The shareholder resolution for receiving consent of the shareholders of the Company under Section 180(1)(a) of the Companies Act, 2013 has been passed on August 28, 2015. A copy of the said shareholders resolution is annexed hereto and marked as <b>Annexure XII</b>.</p> <p>The shareholder resolution for receiving consent of the shareholders of the Company under Section 180(1)(c) of the Companies Act, 2013 has been passed on August 28, 2015. A copy of the said shareholders resolution is annexed hereto and marked as <b>Annexure XIII</b>.</p>
Kind of Security	Rated, Listed, Redeemable, Secured Non-Convertible Debentures.
Price at which the security is being offered, including premium if any, along with justification of the price	<p>The Debentures have a face value of Rs. 10,00,000/- (Rupees Ten Lakh only) per Debenture.</p> <p>The pricing of the Debentures have been arrived at on the basis of prevailing market terms and conditions.</p>
Name and address of the valuer who performed valuation of the security offered	N.A.
Amount, which the Company intends to raise by way of securities	Up to Rs.195,00,00,000/- (Rupees One Hundred Ninety Five Crores only) in one or more series.
Terms of raising of securities	Refer to Section 5.11 of this Information Memorandum.
Proposed time schedule for which the Issue is valid	Please refer to Issue Schedule on the cover page
Purpose and objects of the Issue	Refer to Section 5.11 of this Information Memorandum.
Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of the object	N.A.
Principal terms of assets charged as security, if applicable	Refer to Section 5.11 of this Information Memorandum.



**1.4 Disclosure with regard to interest of directors, litigation, etc:**

Any financial or other material interest of the directors, promoters or key managerial personnel in the Issue and the effect of such interest in so far as it is different from the interests of other persons	NIL
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any Promoter of the Company during the last 3 (three) years immediately preceding the year of the circulation of this Disclosure Document and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	NIL
Remuneration of directors (during the current year and last 3 (three) financial years)	Please refer to <b>Annexure VII</b>
Related party transactions entered during the last 3 (three) financial years immediately preceding the year of circulation of this Disclosure Document including with regard to loans made or, guarantees given or securities provided	Please refer to <b>Annexure IX</b>
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of circulation of this Disclosure Document and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	There are no reservations, qualifications or adverse remarks in the standalone audit reports of the Issuer in the last 5 (five) financial years.
Details of any inquiry, inspections or investigations initiated or conducted under the Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of offer letter in the case of the Company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this Disclosure Document and if so, section-wise details	N.A.





thereof for the Company and all of its subsidiaries	
Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the Company	N.A.

### 1.5 Financial Position of the Company:

The capital structure of the Company:

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value): Please refer to Section 5.3(e)(i) of this Information Memorandum																		
Size of the Present Issue		Up to Rs. 195,00,00,000/- (Rupees One Hundred Ninety Five Crores only) in one or more series.																
Paid-up Capital: a. After the offer:  b. After the conversion of Convertible Instruments (if applicable):		<table><tr><th>Share Capital</th><th>Aggregate value at face value (In Rs.)</th></tr><tr><td><b>Authorised Share Capital</b></td><td></td></tr><tr><td>4,50,00,000 Equity Shares of Rs. 10/- Each</td><td>45,00,00,000</td></tr><tr><td><b>Total</b></td><td><b>45,00,00,000</b></td></tr><tr><td><b>Issued, Subscribed and paid up share capital</b></td><td></td></tr><tr><td>2,37,29,805 Equity Shares of Rs. 10/- each</td><td>23,72,98,050</td></tr><tr><td><b>Total</b></td><td><b>23,72,98,050</b></td></tr></table>			Share Capital	Aggregate value at face value (In Rs.)	<b>Authorised Share Capital</b>		4,50,00,000 Equity Shares of Rs. 10/- Each	45,00,00,000	<b>Total</b>	<b>45,00,00,000</b>	<b>Issued, Subscribed and paid up share capital</b>		2,37,29,805 Equity Shares of Rs. 10/- each	23,72,98,050	<b>Total</b>	<b>23,72,98,050</b>
Share Capital	Aggregate value at face value (In Rs.)																	
<b>Authorised Share Capital</b>																		
4,50,00,000 Equity Shares of Rs. 10/- Each	45,00,00,000																	
<b>Total</b>	<b>45,00,00,000</b>																	
<b>Issued, Subscribed and paid up share capital</b>																		
2,37,29,805 Equity Shares of Rs. 10/- each	23,72,98,050																	
<b>Total</b>	<b>23,72,98,050</b>																	
Share Premium Account: a. Before the offer:  b. After the offer:		Rs.205.11 crores  Rs.205.11 crores																
Details of the existing share capital of the Issuer:  Please refer to Section 5.3(e)(i) of this Information Memorandum																		
Details of allotments made by the Company in the last one year preceding the date of this Disclosure Document separately indicating the allotments made for consideration other than cash and details of the consideration in each case:																		
Date of allotment	No. of shares allotted	Face Value of shares allotted	Issue Price of shares allotted	Form of Consideration														
09/10/2017	1,39,850	10	452.60	Employee Stock Option Plan														



Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this Disclosure Document	<b>In ₹</b>	<b>FY18</b>	<b>FY17</b>	<b>FY16</b>
	Profit before tax	155.95	123.43	91.27
	Profit after tax	112.69	88.32	62.08
Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	<b>Financial Year Ended</b>	<b>Dividend %</b>	<b>Dividend</b>	<b>Interest Coverage Ratio</b>
	31.03.2017	120%	Rs.12 per equity share	2.69
	31.03.2016	100%	Rs.10 per equity share	2.38
	31.03.2016	100%	Rs.10 per equity share	2.38
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Disclosure Document.	Please refer to <b>Annexure V</b>			
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Disclosure Document.	Please refer to <b>Annexure VI</b>			
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company.	N.A.			



## SECTION 6: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Information Memorandum, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

### 6.1 Mode of Transfer / Transmission of Debentures

The Debentures shall be transferable freely. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depository and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

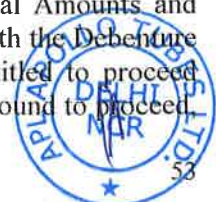
### 6.2 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and all payments due to the Debentures will be paid by cheque/fund transfer/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

### 6.3 Trustee for the Debenture Holder(s)

The Issuer has appointed SBICAP Trustee Company Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee intends to enter into the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of Principal Amounts and Coupon and they will take necessary action, subject to and in accordance with the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed,



fails to do so. The Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

#### **6.4 Debenture Holder not a shareholder**

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

#### **6.5 Modification of Debentures**

The manner in which the terms of the Debentures can be modified shall be as provided for in the Debenture Trust cum Mortgage Deed.

#### **6.6 Right to accept or reject Applications**

The Board/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

#### **6.7 Notices**

Any notice, demand, request or other communication to be made or given under the Debenture Trust cum Mortgage Deed shall be in writing unless otherwise stated. Such notice, demand request or other communication shall be deemed to have been duly given or made when it shall be (a) delivered personally, or (b) sent by facsimile transmission, or (c) sent by registered mail with acknowledgment due, postage prepaid, or (d) sent by telex; or (e) sent by e-mail.

Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

- i. if by way of fax, when received in legible form; or
- ii. if by way of letter, when it has been left at the relevant address for 5 (Five) Business Days after being deposited in the post, postage prepaid in an envelope addressed to it at that address; or
- iii. if by way of telex, when despatched, but only if, at the time of transmission, the correct answerback appears at the start and at the end of the sender's copy of the notice;
- iv. if by way of e-mail, when received in legible form and subject to such e-mail being followed up with a written letter / fax / telex; or
- v. and, if a particular department or officer is specified as part of its address details provided under this Clause, if addressed to that department or officer.

Notwithstanding anything to the contrary contained hereinabove, any communication or document to be made or delivered to the Debenture Trustee shall be effective only when actually received by the Debenture Trustee.





## **6.8 Issue Procedure**

Only investors as specified in the section titled “Persons who may apply” given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant’s bank, type of account and account number must be duly completed by the applicant. This is required for the applicant’s own safety and these details will be printed on the refund orders and /or redemptions warrants.

An Application form must be accompanied by either demand draft(s) or cheque(s) drawn or made payable in favour of the Issuer or otherwise as may be set out in the Application Form or details of transfer made, and crossed “Account Payee Only”. Cheque(s) or demand draft(s) may be drawn on any bank including a co-operative bank, which is a member or a sub-member of the bankers clearing house located at Mumbai. The applicant may transfer payments required to be made in any relation by NEFT/RTGS, to the bank account of the Issuer as per the details mentioned in the Application Form.

## **6.9 Application Procedure**

Potential investors will be invited to subscribe by way of the Application Form prescribed in the Information Memorandum during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

## **6.10 Fictitious Application**

All fictitious applications will be rejected.

## **6.11 Basis of Allotment**

Notwithstanding anything stated elsewhere, Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to investors on a first come first serve basis. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to Issuer by the Deemed Date of Allotment.

## **6.12 Payment Instructions**

The Application Form should be submitted directly. The entire Application Amount is payable to the Issuer’s bank account along with the Application Form. Applicants can remit the application through NEFT/RTGS, details of which is as follows:

Beneficiary Name	:	APL APOLLO TUB ES LTD
Credit Account No	:	357105010111031
Centre Location	:	New Delhi
Bank	:	Union Bank of India
Branch	:	Paharganj Branch
Account Type	:	Cash Credit Account
IFSC Code	:	UBIN0535711





### **6.13 Persons who may apply**

The Persons to whom this Disclosure Document / Information Memorandum is being issued are the only persons eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form. The class of investors to whom this Disclosure Document / Information Memorandum is being issued are:

- Individuals;
- Provident funds, Superannuation funds and Gratuity funds;
- Mutual funds;
- Companies, Bodies corporate and Societies;
- Insurance companies; and
- NBFCs and Residuary NBFCs
- Banks;
- Other eligible persons;

All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

**Note:** Participation by potential investors in the issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

### **6.14 Procedure for applying for dematerialised facility**

- (a) The applicant must have at least one beneficiary account with any of the DP's of the Depository prior to making the application.
- (b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".
- (c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.
- (d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- (e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.
- (f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- (g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The



applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-à-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.

- (h) The Redemption Amount, the Coupon or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the Redemption Amount or other benefits, till such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the Redemption Amount and benefits will be paid to the beneficiaries, as identified.

#### **6.15 Depository Arrangements**

The Issuer shall make necessary arrangement with the Depository for issue and holding of Debenture in dematerialised form.

#### **6.16 List of Beneficiaries**

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

#### **6.17 Application under power of attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

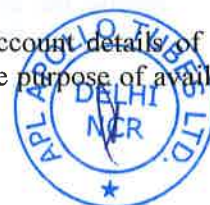
#### **6.18 Documents to be provided by investors**

Investors need to submit the following documents, as applicable

- (a) Copy of PAN card to be submitted
- (b) Application Form (including RTGS details)

#### **6.19 Applications to be accompanied with Bank Account Details**

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing



direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through NEFT/RTGS.

#### **6.20 Succession**

In the event of winding-up of the holder of the Debenture(s), the Issuer will recognize the executor or administrator of the concerned Debenture Holder(s), or the other legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such executor or administrator or other legal representative as having title to the Debenture(s), unless such executor or administrator obtains probate or letter of administration or other legal representation, as the case may be, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or other legal representation, in order to recognize such holder as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on production of sufficient documentary proof and/or an indemnity.

#### **6.21 Mode of Payment**

All payments must be made through cheque(s)/draft(s)/transfers/RTGS as set out in the Application Form.

#### **6.22 Effect of Holidays**

If the due date for redemption on the Debentures falls on a day that is not a Business Day, the Coupon / Principal Amount shall be paid on the immediately preceding Business Day.

#### **6.23 Tax Deduction at Source**

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate/document must be lodged by the debenture holders at the office of the Transfer Agents of the Corporation at least 15 (Fifteen) days before the relevant payment becoming due. Tax exemption certificate / declaration of non deduction of tax at source on interest on Subscription Money, should be submitted along with the Application form.

#### **6.24 Letters of Allotment**

The letter of allotment, indicating allotment of the Debentures, will be provided in physical form on the Deemed Date of Allotment itself. The Debentures, will be issued in dematerialised form, within 2 (Two) Business Days from the Deemed Date of Allotment.

#### **6.25 Deemed Date of Allotment**

All the benefits under the Debentures will accrue to the Investor from the specified Deemed Date of Allotment by which date the investors would be intimated of allotment.

#### **6.26 Record Date**

The date which will be used for determining the Debenture Holders who shall be entitled to receive the amounts due on any due date, which shall be the date falling 15 (Fifteen) days prior to any due date.



#### **6.27 Refunds**

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (Seven) days from Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the Subscription Money relating to the Debentures in respect of which allotments have been made, the Registrar shall upon receiving instructions in relation to the same from the Issuer repay the money to the extent of such excess, if any.

#### **6.28 Interest on Subscription Money**

The Company shall be liable to pay to each Debenture Holder subscribing to the Debentures, interest on the subscription monies (subject to any tax deductible at source under Applicable Law) paid by the said Debenture Holder in the event that the Debenture Holder has remitted the subscription monies to the bank account of the Company prior to the Deemed Date of Allotment, which interest shall be calculated at the monthly Coupon rate for the period commencing from the date on which the said Debenture Holder has made payment of the subscription monies and the same is credited to the bank account of the Company and ending on the day immediately preceding the Deemed Date of Allotment. The interest on the subscription monies thus calculated shall be paid by the Company to the Debenture Holders on the first Coupon Payment Date.

#### **6.29 PAN Number**

Every applicant should mention its PAN allotted under Income Tax Act, 1961, on the Application Form and attach a self attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

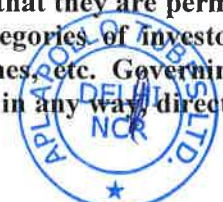
#### **6.30 Payment on Debentures**

Payment on the Debentures will be made by way of cheque(s) /demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the Principal Amount and applicable Coupon by the Issuer to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Dates. On such payment being made, the Issuer will inform the Depository and accordingly the account of the Debenture Holder(s) with the Depository will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

**Disclaimer:** Please note that only those persons to whom this Information Memorandum has been specifically addressed may apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. Governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or



indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.





## SECTION 7: DECLARATION

The Issuer undertakes that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended, as per Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 issued vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012, and SEBI Circular CIR/IMD/DF/18/2013 dated October 29, 2013 and also Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2014 issued vide Circular No. LAD-NRO/GN/2013-14/43/207 dated January 31, 2014, the Securities and exchange board of india (listing obligations and disclosure requirements) regulations, 2015 issued vide circular no. SEBI/LAD-NRO/GN/2015-16/025 as well as the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

The Issuer also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Issuer accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the Issuer and that any one placing reliance on any other source of information would be doing so at his own risk.

Without prejudice to the above, the Company and each of the directors of the Company, confirm that.

- (a) The Company has complied with the provisions of the Companies Act and the rules made thereunder in relation to the Issue;
- (b) The compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of Debentures, if applicable, is guaranteed by the Central Government;
- (c) The monies received under the Issue shall be used only for the purposes and objects indicated in this Information Memorandum;

I, Adhish Swaroop, authorized by the Board of Directors of the Company vide resolution number 25 dated 25/05/2018 to sign this form and declare that all the requirements of Companies Act and the rules made thereunder in respect of the subject matter of this Information Memorandum, and matters incidental thereto have been complied with. Whatever is stated in this Information Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of the Information Memorandum has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association of the Company.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For **APL Apollo Tubes Limited**

For **APL APOLLO TUBES LTD.**

Name of Signatory: **Adhish Swaroop**  
Designation: Company Secretary  
Date: 29/06/2018  
Place: Delhi



**ANNEXURE I: RATING LETTER & RATING RATIONALE**

*[Attached Separately]*



**ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE**

*[Attached Separately]*



### ANNEXURE III: APPLICATION FORM

**APL APOLLO TUBES LIMITED**  
(Incorporated under the Companies Act, 1956)

**Registered Office:** 37, Hargobind Enclave, Vikas Marg, Delhi 110092

**Telephone:** 011-22373437

**Contact person:** Mr. Deepak Goyal, Chief Financial Officer

**Email:** [deepakgoyal@aplapollo.com](mailto:deepakgoyal@aplapollo.com)

Private and Confidential  
(Not for circulation)  
Serial No. \_\_\_\_\_

Dear Sirs,

*Having read and understood the contents of the Transaction Documents, we apply for allotment to us of the Rated, Listed, Secured, Redeemable, Non-Convertible Debentures being privately placed. The amount payable on application as shown below is remitted herewith. On allotment, please place our name on the Register of Debenture Holders. We bind ourselves to the terms and conditions as contained in the Transaction Documents. We note that the Company is entitled in its absolute discretion to accept or reject this application whole or in part without assigning any reason whatsoever.*

(PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE FILLING THIS FORM)

Form in which certificate is to be issued

<input type="checkbox"/> Demat	
DEPOSITORY NAME: (NSDL/CDSL) <input type="checkbox"/>	
DP – ID:	CLIENT ID:
DP- NAME	CLIENT – NAME

We understand that in case of allotment of Debentures to us, our beneficiary account as mentioned above would be credited to the extent of Debentures allotted. We also understand that Debentures will be issued to us and will have to be held by us in dematerialized form only and no physical certificates will ever be issued by the Company.

The application shall be for a minimum of 1 (One) Debenture and in Multiples of 1 (One) Debenture thereafter (Each Debenture of Rs. 10,00,000/- (Rupees Ten Lakh only))

#### Remittance through Cheque/Draft

No. of Series 1 Debentures applied for (In figures)		
No. of Series 1 Debentures applied for (In words)		
No. of Series 2 Debentures applied for (In figures)		
No. of Series 2 Debentures applied for (In words)		
Amount (Rs.) _____ (in words) _____		
Date	Cheque /Demand Draft No.	Cheque /Demand Draft drawn on

#### Remittance through NEFT/RTGS

No. of Series 1 Debentures applied for (In figures)
No. of Series 2 Debentures applied for (In words)
No. of Series 2 Debentures applied for (In words)





No. of Series 2 Debentures applied for (In words)		
Amount (Rs.) [ ] (Rupees ____ only)		
<b>Remittance Particulars</b>		
Mode of Remittance	Date of Remittance	Name of the Remitting Bank and Branch
STEPS		
RTGS		

We are applying as {Tick (✓) whichever is applicable}

1	Company	2	Commercial Bank
3	Eligible Financial Institution	4	Insurance Companies
5	NBFC & Residuary NBFC	6	Mutual Fund
7	Others		

**Application Details**

<b>First Applicant's Name in Full (Block letters)</b>	
<b>Second Applicant's Name in Full (Block letters)</b>	
<b>Third Applicant's Name in Full (Block letters)</b>	
<b>Mailing Address in Full (Do not repeat name. Post Box No. alone is not sufficient.)</b>	
Pin:	Tel:
Fax:	
<b>Tax Details</b>	PAN or GIR No.
	1.
	2.
	3.
	IT Circle / Ward / District
	1.
	2.
	3.

**Details of Bank Account of the First Applicant:**

Name of the Bank _____ Branch _____
Account No: _____ Nature of Account: SB/CA
RTGS Code of Bank/ Branch _____

**Tax Deduction Status: (Please tick one)**

( )	Fully	Exempt	(Please	furnish	exemption	certificate):
( )	Tax	to	be	deducted	at	source:



**Specimen Signature**

Sl.No	Name of the Authorized Signatory	Designation	Signature
1			
2			

Acknowledgement Slip shall be given to the investors as shown below the Instructions.

----- Tear Here -----

**ACKNOWLEDGEMENT SLIP**

**APL APOLLO TUBES LIMITED**  
(Incorporated under the Companies Act, 1956)

**Registered Office:** 37, Hargobind Enclave, Vikas Marg, Delhi 110092

**Telephone:** 011-22373437

**Contact person:** Mr. Deepak Goyal, Chief Financial Officer

**Email:** deepakgoyal@aplapollo.com

**Application Form Sr. No:**

Received from \_\_\_\_\_

Address \_\_\_\_\_

an application for \_\_\_\_\_ Series 1 Debentures and Series 2 Debentures along with Cheque/Demand Draft No.

dated \_\_\_\_\_ drawn on \_\_\_\_\_ for Rs. \_\_\_\_\_

(Rupees \_\_\_\_\_ only)

(Note: Cheques and Drafts are subject to realization)

**STEPS/RTGS Remittance Particulars**

Mode of Transfer	Date of Remittance	Name of the Remitting Bank and Branch	Amount of Remittance
STEPS			Rs. _____ (Rupees _____)
RTGS			Rs. _____ (Rupees _____)



**ANNEXURE IV: LAST AUDITED FINANCIAL STATEMENTS**

*[Attached separately]*



### ANNEXURE V: SUMMARY FINANCIAL POSITION (AUDITED)

Please note that the Summary Financial Position of the Issuer, for the last three years is as follows:

Standalone Balance Sheet	Mar '18	Mar '17	Mar '16
	12 Mths	12 Mths	12 Mths
<b>Sources of Funds</b>			
Total Share Capital			
Equity Share Capital	23.73	23.59	23.44
Share Application Money	-	-	-
Preference Share Capital	-	-	-
Reserves	881.86	787.14	716.95
<b>Net worth</b>	<b>905.59</b>	<b>810.73</b>	<b>740.39</b>
Secured Loans	639.96	438.79	528.34
Unsecured Loans	-	-	-
<b>Total Debt</b>	<b>639.96</b>	<b>438.79</b>	<b>528.34</b>
<b>Total Liabilities</b>	<b>1545.55</b>	<b>1249.52</b>	<b>1268.73</b>
<b>Application Of Funds</b>			
Gross Block	799.05	543.81	473.67
Less: Revaluation Reserves	-	-	-
Less: Accum. Depreciation	82.28	38.99	-
<b>Net Block</b>	<b>716.77</b>	<b>504.82</b>	<b>473.67</b>
Capital Work in Progress	39.57	116.96	31.13
<b>Investments</b>	<b>391.84</b>	<b>391.16</b>	<b>356.19</b>
Inventories	503.68	362.30	473.84
Sundry Debtors	339.02	252.86	226.83
Cash and Bank Balance	1.17	0.64	1.10
<b>Total Current Assets</b>	<b>843.87</b>	<b>615.80</b>	<b>701.77</b>
Loans and Advances	150.52	209.48	108.78
Fixed Deposits	-	-	-
<b>Total CA, Loans &amp; Advances</b>	<b>994.39</b>	<b>825.28</b>	<b>810.55</b>
Deferred Credit	77.55	62.12	54.65
Current Liabilities	484.01	516.25	341.99
Provisions	35.45	10.32	5.44
<b>Total CL &amp; Provisions</b>	<b>597.01</b>	<b>588.69</b>	<b>402.08</b>
<b>Net Current Assets</b>	<b>397.38</b>	<b>236.59</b>	<b>408.47</b>
Miscellaneous Expenses	-	-	-
<b>Total Assets</b>	<b>397.38</b>	<b>236.59</b>	<b>408.47</b>
Contingent Liabilities	-	-	-
Book Value (Rs)	-	-	-

Consolidated Audited Balance Sheet	Mar'18	Mar '17	Mar '16
	12 Mths	12 Mths	12 Mths
<b>Sources Of Funds</b>			
Total Share Capital	-	-	-
Equity Share Capital	23.73	23.59	23.44
Share Application Money	-	-	-
Preference Share Capital	-	-	-
Init. Contribution Settler	-	-	-
Preference Share Application Money	-	-	-





Employee Stock Option	-	-	-
Reserves	813.25	679.77	545.61
<b>Net worth</b>	<b>836.98</b>	<b>703.36</b>	<b>569.05</b>
Secured Loans	673.36	568.88	597.76
Unsecured Loans	-	-	-
<b>Total Debt</b>	<b>673.36</b>	<b>568.88</b>	<b>597.76</b>
Minority Interest	-	-	-
Policy Holders Funds	-	-	-
Group Share in Joint Venture	-	-	-
<b>Total Liabilities</b>	<b>1510.34</b>	<b>1272.24</b>	<b>1166.81</b>
Gross Block	959.95	691.44	615.39
Less: Revaluation Reserves	-	-	-
Less: Accum. Depreciation	97.14	44.60	-
<b>Net Block</b>	<b>862.81</b>	<b>646.84</b>	<b>615.39</b>
Capital Work in Progress	45.96	122.39	31.97
<b>Investments</b>	<b>1.12</b>	<b>0.44</b>	-
Inventories	591.49	469.61	594.36
Sundry Debtors	432.13	294.87	218.17
Cash and Bank Balance	6.80	1.58	1.34
<b>Total Current Assets</b>	<b>1030.41</b>	<b>766.06</b>	<b>813.87</b>
Loans and Advances	240.92	308.89	165.79
Fixed Deposits	-	-	-
<b>Total CA, Loans &amp; Advances</b>	<b>1271.33</b>	<b>1074.95</b>	<b>979.66</b>
Deferred Credit	100.29	81.31	73.54
Current Liabilities	533.22	479.31	380.41
Provisions	37.40	11.72	6.24
<b>Total CL &amp; Provisions</b>	<b>670.91</b>	<b>572.34</b>	<b>460.19</b>
<b>Net Current Assets</b>	<b>600.42</b>	<b>502.61</b>	<b>519.47</b>
Minority Interest	-	-	-
Group Share in Joint Venture	-	-	-
Miscellaneous Expenses	-	-	-
<b>Total Assets</b>	<b>600.42</b>	<b>502.61</b>	<b>519.47</b>
Contingent Liabilities	-	-	-
Book Value (Rs)	-	-	-



## ANNEXURE VI: CASH FLOW STATEMENTS (AUDITED)

Please note that the audited cash flow statements of the Issuer, for the last three years are as follows:

Standalone Cash Flow Statement	Mar '18	Mar '17	Mar '16
	12 Mths	12 Mths	12 Mths
Net Profit Before Tax	155.95	123.43	91.26
Net Cash From Operating Activities	(215.86)	253.64	(95.56)
Net Cash (used in)/from Investing Activities	(132.04)	(181.41)	(72.18)
Net Cash (used in)/from Financing Activities	192.48	(196.11)	70.41
Net (decrease)/increase In Cash and Cash Equivalents	0.53	(0.46)	(6.07)
Opening Cash & Cash Equivalents	0.64	1.10	6.84
Closing Cash & Cash Equivalents	1.17	0.64	0.77

Consolidated Cash Flow Statement	Mar '18	Mar '17	Mar '16
	12 Mths	12 Mths	12 Mths
Net Profit Before Tax	245.17	215.54	162.99
Net Cash From Operating Activities	(151.19)	99.82	(150.99)
Net Cash (used in)/from Investing Activities	(165.39)	(169.68)	(92.68)
Net Cash (used in)/from Financing Activities	76.62	(145.44)	80.88
Net (decrease)/increase In Cash and Cash Equivalents	5.22	0.24	(0.50)
Opening Cash & Cash Equivalents	1.58	1.34	1.52
Closing Cash & Cash Equivalents	6.80	1.58	1.02



**ANNEXURE VII: REMUNERATION OF DIRECTORS (DURING THE CURRENT YEAR  
AND LAST 3 (THREE) FINANCIAL YEARS)**

S. No.	Name of the Director	Financial Year ended 31 <sup>st</sup> March 2017 (12 Months)	Financial Year ended 31 <sup>st</sup> March 2016 (12 Months)	Financial Year ended 31 <sup>st</sup> March 2015 (12 Months)	Financial Year ended 31 <sup>st</sup> March 2014 (12 Months)
1	Mr. Sanjay Gupta	3.00	2.40	2.40	0.84
2	Mr. Ashok K. Gupta	-	0.16	1.13	1.07
3	Mr. Vinay Gupta	0.03	-	0.03	-
4	Mr. Abhilash Lal Appointed on 12.02.2014	0.04	0.04	0.03	-
5	Mr. Anil Kumar Bansal (Appointed on 04.08.2014)	0.04	0.04	0.02	-
6	Ms. Neeru Abroal (Appointed on 24.03.2015)	0.03	0.03	-	-
7	Mr. Sameer Gupta (Resigned on 30.05.2016)	-	-	0.02	-
8	Mr. S T Gerela	0.03	0.03	0.03	-
9	Mr. Aniq Husain (Resigned on 09.05.2015)	-	-	0.03	-
10	Mr. C.S. Johri (Resigned on 12.02.2014)	-	-	0.002	-
11	Mr. Rakesh Jinsi (Resigned on 04.08.2014)	-	-	-	-
12	Mr. Virendra Singh Jain (Appointed on 28.01.2017)	0.04	-	-	-
13	Mr. Romi Sehgal (Appointed on 13.08.2016)	-	-	-	-
14	Mr. Sharad Mahendra (Appointed on 29.10.2016)	-	-	-	-



## ANNEXURE VIII: INDICATIVE CASHFLOW SCHEDULE

### Series 1 Debentures

Scheduled due date for Principal Payment and Coupon	Principal Amount due on Principal Payment Date (per Debenture) (in Rs.)	Coupon payable on Coupon Payment Date (per Debenture) (in Rs.)	Total cash flows (per Debenture) (in Rs.)
6-Jul-18	-	-	(10,00,000)
8-Jul-19	-	86,974	86,974
6-Jul-20	-	86,027	86,027
6-Jul-21	10,00,000	86,500	10,86,500

### Series 2 Debentures

Scheduled due date for Principal Payment and Coupon	Principal Amount due on Principal Payment Date (per Debenture) (in Rs.)	Coupon payable on Coupon Payment Date (per Debenture) (in Rs.)	Total cash flows (per Debenture) (in Rs.)
6-Jul-18	-	-	(10,00,000)
8-Jul-19	-	86,276	86,276
6-Jul-20	-	86,326	86,326
6-Jul-21	10,00,000	86,800	10,86,800



### ANNEXURE IX: RELATED PARTY TRANSACTIONS

Please note that the related party transactions entered into by the Issuer, for the last three years is contained as follows:

Financial Year	Sale	Purchase	Remunerations	Rent	Total
2014-15	83.63	327.92	3.53	2.53	417.61
2015-16	354.58	354.64	2.68	1.80	713.70
2016-17	101.50	29.96	3.30	2.08	136.84

The details of the related party transactions, as identified above is contained in the following pages of the audited financial statements of the Issuer, which has been circulated along with this Information Memorandum:

Financial Year	Related Party Transactions
2014-15	Note 34 at page numbers 21-23
2015-16	Page number 135-141
2016-17	Note 29 at Page no. 30-35





**ANNEXURE X: COPY OF BOARD RESOLUTIONS AND RESOLUTION OF THE  
FINANCE COMMITTEE OF BOARD OF DIRECTORS**

*[Attached Separately]*



**ANNEXURE XI: COPY OF SHAREHOLDERS' RESOLUTIONS UNDER SECTION 42 OF  
THE ACT**

*[Attached Separately]*



**ANNEXURE XII: COPY OF SHAREHOLDERS' RESOLUTIONS UNDER SECTION  
180(1)(A) OF THE ACT**

*[Attached Separately]*



**ANNEXURE XIII: COPY OF SHAREHOLDERS' RESOLUTIONS UNDER SECTION  
180(1)(C)**

*[Attached Separately]*



