

DETAILED PUBLIC STATEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS OF APOLLO TRICOAT TUBES LIMITED

(Formerly known as 'BEST STEEL LOGISTICS LIMITED')

Registered Office: 37, Hargobind Enclave, Vikas Marg, Delhi – 110092;

Corporate Office : 36, Kaushambi, Near Anand Vihar Terminal, Behind Wave Cinema, Kaushambi, Uttar Pradesh – 201010;

Tel. No.: +91-11-41070148, +91-120-6401829;

Open Offer for the acquisition upto 7,930,000 Equity Shares from the shareholders of
APOLLO TRICOAT TUBES LIMITED (Formerly known as 'BEST STEEL LOGISTICS LIMITED') by
SHRI LAKSHMI METAL UDYOG LIMITED ('Acquirer')

OPEN OFFER FOR THE ACQUISITION OF UPTO 7,930,000 (SEVENTY NINE LACS AND THIRTY THOUSAND) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF INR 2 (INDIAN RUPEES TWO ONLY) EACH ('EQUITY SHARES') FROM ALL SHAREHOLDERS OF APOLLO TRICOAT TUBES LIMITED (FORMERLY KNOWN AS 'BEST STEEL LOGISTICS LIMITED') ('ATTL'/TC/'TARGET COMPANY') HAVING ITS REGISTERED OFFICE AT 37, HARGOBIND ENCLAVE, VIKAS MARG, DELHI – 110092 AND CORPORATE OFFICE AT 36, KAUSHAMBI, NEAR ANAND VIHAR TERMINAL, BEHIND WAVE CINEMA, KAUSHAMBI, UTTAR PRADESH – 201010; BY SHRI LAKSHMI METAL UDYOG LIMITED ('ACQUIRER') HAVING ITS REGISTERED OFFICE AT 37, HARGOBIND ENCLAVE, VIKAS MARG, NEW DELHI – 110092 AT A PRICE OF INR 135.00 (INDIAN RUPEES ONE HUNDRED AND THIRTY FIVE ONLY) PER EQUITY SHARE ('OFFER')

This Detailed Public Statement ("DPS") is being issued by Corporate Professionals Capital Private Limited, the Manager to the Offer ("Manager"), for and on behalf of the Acquirer to the shareholders of the Target Company ("Shareholders"), pursuant to and in compliance with Regulation 13(4), Regulation 14(3) and Regulation 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (if any) ("SEBI (SAST) Regulations") and pursuant to the Public Announcement ("PA") made on October 18, 2018, Thursday with BSE LIMITED ("BSE"), SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") and the TARGET COMPANY in terms of the provisions of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, read with other applicable Regulations of SEBI (SAST) Regulations, if any.

I. ACQUIRER, SELLER, TARGET COMPANY AND OFFER

A. INFORMATION ABOUT THE ACQUIRER – SHRI LAKSHMI METAL UDYOG LIMITED ('ACQUIRER')

A.1. Acquirer is an unlisted public company having CIN U85110DL1994PLC224835, incorporated on April 25, 1994 under the provisions of the Companies Act, 1956 as a private limited company with the name and style of Estima Investment & Financial Services Private Limited. Then, on January 13, 1995, the constitution of company changed from private limited company to public limited company and the name changed to 'Estima Investment & Financial Services Limited' and subsequently on September 16, 2003 the name changed to Shri Lakshmi Metal Udyog Limited. The registered office of the Acquirer is situated at 37, Hargobind Enclave, Vikas Marg, Delhi – 110092 and the corporate office is situated at 36, Kaushambi, Near Anand Vihar Terminal, Delhi NCR, Ghaziabad, Uttar Pradesh – 201010. The Acquirer is engaged in the business of manufacturing of steel tubes and pipes. The present authorised share capital of the Acquirer is INR 70,000,000 (Indian Rupees Seven Crores Only) divided into 7,000,000 (Seventy Lacs) Equity Shares of INR 10 (Indian Rupees Ten Only) each. The paid-up share capital of the Company is INR 58,950,000 (Indian Rupees Five Crores Eighty Nine Lacs and Fifty Thousand Only) divided into 5,895,000 (Fifty Eight Lacs Ninety Five Thousand) Equity Shares of INR 10 (India Rupees Ten Only) each.

A.2. Acquirer is the wholly owned subsidiary of APL Apollo Tubes Limited, a widely held listed company. Mr. Sanjay Gupta & other family members from the promoter group of APL Apollo Tubes Limited and are in control over it. The shareholders of Acquirer are specified below:

S. No.	Name of the Shareholders	No. of shares held	%
1.	APL Apollo Tubes Limited	5,894,994	100.00
2.	Mr. Sanjay Gupta (nominee of APL Apollo Tubes Limited)	1	0.00
3.	Mr. Vinay Gupta (nominee of APL Apollo Tubes Limited)	1	0.00
4.	Mr. Sameer Gupta (nominee of APL Apollo Tubes Limited)	1	0.00
5.	Ms. Neera Gupta (nominee of APL Apollo Tubes Limited)	1	0.00
6.	Ms. Vandana Gupta (nominee of APL Apollo Tubes Limited)	1	0.00
7.	Ms. Meenakshi Gupta (nominee of APL Apollo Tubes Limited)	1	0.00
	Total	5,895,000	100.00

A.3. The key financial information of the Acquirer based on the financial statements for the financial year ended March 31, 2016, March 31, 2017, March 31, 2018 and for quarter ending at June 30, 2018 is as follows:

(INR in crores)				
Sr. No.	Particulars	Year ended March 31, 2016 (Audited)	Year ended March 31, 2017 (Audited)	Quarter ending at June 30, 2018 (Unaudited)
1.	Total Revenue	457.69	518.38	632.24
2.	Net Income	35.44	33.05	38.23
3.	Earnings Per Share (In INR)	60.11	56.06	64.85
4.	Net worth/ shareholders' funds	90.88	123.25	126.86

Source:- As certified by CA Awanish Kumar (Membership No. 510868), Partner of AKDC & Associates, Chartered Accountants having office at 204, Second Floor, Pranav Complex, H-29, Laxmi Nagar, Delhi – 110092; Tel. +91-11-22524592; Email ID: caawanish@gmail.com vide certificate dated October 18, 2018.

A.4. There are no Person Acting in Concert ("PAC") with the Acquirer in this Takeover Open Offer.

A.5. As on the date of this DPS, Acquirer do not hold any shares of the Target Company. Mr. Rahul Gupta acquired control over the Target Company on completion of Open Offer in May 2018. He is son of Mr. Sanjay Gupta, who is the main promoter of APL Apollo Tubes Limited. Acquirer is the wholly owned subsidiary of APL Apollo Tubes Limited. Considering, the definition of 'promoter group' in terms of the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Acquirer and Seller are members of promoter group of the Target Company, however, since the Acquirer and Seller do not qualify for the exemption in terms of the provisions of Regulation 10(1)(a) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, for the proposed transfer of shares, hence, the Acquirer triggered open offer obligation. Other than as mentioned above, Acquirer does not hold any interest in the Target Company.

A.6. As on the date of PA, Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 ('SEBI Act') as amended or under any other regulation made under the SEBI Act.

A.7. As on the date of PA, Acquirer is not in the list of wilful defaulters of any bank, financial institution, or consortium there of in accordance with guidelines on wilful defaulters issued by Reserve Bank of India.

B. INFORMATION ABOUT THE SELLER – MR. RAHUL GUPTA ('SELLER')

B.1. Mr. Rahul Gupta acquired control over the Target Company on completion of Open Offer in May 2018. He is the son of Mr. Sanjay Gupta, who is the main promoter of APL Apollo Tubes Limited. Acquirer and Seller are part of the promoter group of the Target Company in terms of the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

B.2. The details of the Seller is as follows:

Name of the Seller	Nature of the entity	Part of Promoter group	Residential Address	Shareholding/ Voting rights before the underlying transaction	% of Share Capital*
Mr. Rahul Gupta	Individual	Yes	106, Hargobind Enclave, Vikas Marg, Delhi – 110092	8,030,030 Equity Shares 4,300,000 Warrants convertible into equal number of Equity Shares	26.33 14.10
				Total	40.43

*These percentages has been calculated based on Fully Diluted Share Capital after taking into account warrants convertible into equal number of equity shares. The Fully Diluted Share Capital is INR 61,000,000 (Indian Rupees Six Crores and Ten Lacs Only) representing 30,500,000 (Three Crores and Five Lacs) of INR 2.00 (Indian Rupees Two Only) each.

B.3. As on the date of PA, the Seller as mentioned above is not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act, 1992 and subsequent amendments thereto or under any other regulations made under the SEBI Act, 1992.

B.4. As on the date of PA, the Seller as mentioned above is not in the list of wilful defaulters of any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by Reserve Bank of India.

C. INFORMATION ABOUT THE TARGET COMPANY – APOLLO TRICOAT TUBES LIMITED (FORMERLY KNOWN AS 'BEST STEEL LOGISTICS LIMITED') ('TARGET COMPANY' or 'TC' or 'ATTL')

C.1. Target Company having CIN L74900DL1983PLC014972 was incorporated as a public limited company on January 12, 1983 under the provisions of Companies Act, 1956 with the name and style of 'Potential Investments and Finance Limited'. The Certificate for Commencement of Business was issued by the Registrar of Companies, NCT of Delhi & Haryana on February 25, 1983. On May 12, 2016, Mr. Saket Agarwal, the erstwhile promoter acquired control over the Target Company by completing an open offer in terms of SEBI (SAST) Regulations and then on September 06, 2016, the name of the Target Company was changed from 'Potential Investments and Finance Limited' to 'Best Steel Logistics Limited'. With the change of name of the Target Company and for the purpose of expansion and performance improvement, the Target Company in Financial Year 2016-17 inserted one more business of Warehousing and Logistics as its main business in the Object clause. Since then, the major areas of operation of the Target Company were Warehousing and Logistics Business along with Trading Activity. Then, on May 03, 2018, Mr. Rahul Gupta, the existing promoter acquired control over the Target Company by completing an open offer in terms of SEBI (SAST) Regulations and then on August 21, 2018, the name of the Target Company was changed to the present name i.e. 'Apollo Tricoat Tubes Limited'. With the change of name of the Target Company and for the purpose of expansion and performance improvement, the Target Company changed its main business from the above mentioned to manufacturing of tricoated tubes and initiated the process to set up the manufacturing facility for manufacturing of tricoated tubes in Malur, Karnataka.

C.2. The registered office of the Target Company is situated at 37, Hargobind Enclave, Vikas Marg, Delhi – 110092 and the corporate office is situated at 36, Kaushambi, Near Anand Vihar Terminal, Behind Wave Cinema, Kaushambi, Uttar Pradesh – 201010.

C.3. The Equity Shares of Target Company are listed and traded on BSE and are frequently traded within the meaning of definition of 'frequently traded shares' under clause (j) of sub-regulation (1) of Regulation (2) of the SEBI (SAST) Regulations as on the date of PA.

C.4. The authorized share capital of the Target Company is INR 65,000,000 (Indian Rupees Six Crores and Fifty Lacs Only) representing 32,500,000 (Three Crores and Twenty Five Lacs) Equity Shares of INR 2/- (Indian Rupees Two Only) each. The issued, subscribed and the present paid-up equity share capital of the Target Company is INRS1,400,000 (Indian Rupees Five Crores and Fourteen Lacs Only) representing 25,700,000 (Two Crores and Fifty Seven Lacs) Equity Shares of INR 2/- (Indian Rupees Two Only) each and the Share Capital of the Target Company on fully diluted basis is INR 61,000,000 (Indian Rupees Six Crores and Ten Lacs Only) representing 30,500,000 (Three Crores and Five Lacs) Equity Shares of INR 2/- (Indian Rupees Two Only) each, considering the conversion of 4,800,000 (Forty Eight Lacs) Warrants into equal number of Equity shares.

C.5. Presently, there are no outstanding partly paid-up shares in the Target Company. Presently, there are 4,800,000 (Forty Eight Lacs) warrants in the Target Company which will be converted into equal number of equity shares.

C.6. The key financial information of the Target Company based on the financial statements for the financial year ended March 31, 2016, March 31, 2017 and March 31, 2018 and for the quarter ending on June 30, 2018 are as follows:

(INR in crores)				
Sr. No.	Particulars	Year ended March 31, 2016 (Audited)	Year ended March 31, 2017 (Audited)	Quarter ending at June 30, 2018 (Unaudited)
1.	Total Revenue	17.52	61.91	191.39
2.	Net Income	(0.0085)	1.41	6.98
3.	Earnings Per share (In INR)	(0.00)	0.0076	0.03
4.	Net worth/ shareholders' funds	3.16	4.57	112.35

Source:- As certified by Mr. Praveen Kumar Jain, Partner of M/s. VAPS & Co., Chartered Accountants having office at C-42, South Extension, Part – II, New Delhi – 110049; Tel. No.: +91-11-41645051/+91-11-41641415; Fax: +91-11-41644896; Email ID: info@vaps.co.in, vide certificate dated October 18, 2018.

D. DETAILS OF THE OPEN OFFER:

D.1. The Offer is a triggered offer in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations.

D.2. Acquirer has entered into a Share Purchase Agreement ("SPA") dated October 18, 2018 with the promoter of the Target Company naming Mr. Rahul Gupta ('Seller') for the acquisition of (A) 8,030,030 (Eight Lacs Thirty Thousand and Thirty) Equity Shares of face value of INR 2/- (Indian Rupees Two Only) each constituting 31.25% of the present paid-up equity share capital and 26.33% of the Fully Diluted Share Capital of the Target Company at a price of INR 120/- (Indian Rupees One Hundred and Twenty Only) each aggregating to INR 963,603,600 (Indian Rupees Ninety Six Crores Thirty Six Lacs Three Thousand and Six Hundred Only) subject to the continuation of lock-in period in terms of the provisions of Regulation 79(1) of Securities and Exchange Board of India (Issue of

Capital and Disclosure Requirement) Regulations, 2009 in the hands of the Acquirer and (B) Options attached to 4,300,000 (Forty Three Lacs) Warrants at a price of INR 30/- (Indian Rupees Thirty Only) per Option aggregating to INR 129,000,000 (Indian Rupees Twelve Crores and Ninety Lacs Only) representing twenty five percent of the total consideration payable for the Options, as already paid by the Seller to the Target Company at the time of subscribing to the Warrants. The balance seventy five percent of the consideration with respect to Warrants would be paid by the Acquirer to the Target Company on acquisition of Warrants or Equity Shares which would arise on conversion of warrants. In case the same is not permitted under the law then he will take necessary steps to get the options exercised and then transfer the equity shares arising out of the warrants. The Equity Shares, which would arise on conversion of warrants, would be under lock-in in terms of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Considering, the definition of 'promoter group' in terms of the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Acquirer and Seller are members of promoter group of the Target Company, however, since the Acquirer and Seller do not qualify for the exemption in terms of the provisions of Regulation 10(1)(a) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, for the proposed transfer of shares, hence, the Acquirer triggered open offer obligation by entering into SPA, in terms of the provisions of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations. Pursuant to this triggering event, the Acquirer has made this Open Offer to acquire upto 7,930,000 (Seventy Nine Lacs and Thirty Thousand) Equity Shares of the face value INR 2/- (Indian Rupees Two) each being 26.00% of the Fully Diluted Share Capital of the Target Company at a price of INR 135/- (Indian Rupees One Hundred and Thirty Five Only) per fully paid up Equity Share payable in cash, subject to the terms and conditions as set out in the PA, this Detailed Public Statement and the Letter of Offer, that will be sent to the equity shareholders of the Target Company.

D.3. This Offer is made to all the shareholders of the Target Company, except Acquirer, person acting in concert with Acquirer and the parties to the underlying share purchase agreement including persons deemed to be acting in concert with such parties in terms of the provisions of Regulation 7(6) of SEBI (SAST) Regulation, 2011.

D.4. To the best of the knowledge of the Acquirer, there are no statutory and other approvals required to complete the acquisition of underlying share purchase agreement under this Offer other than as indicated in Part VI (Statutory and other Approvals). However, in case any statutory approvals would be required by the Acquirer at a later date before the closure of the Tendering Period, this Offer shall be subject to such further approvals being obtained. In terms of Regulation 23(1)(a) of SEBI (SAST) Regulations, if the statutory approvals are not received or refused, the offer would stand withdrawn.

D.5. Where any statutory or other approval extends to some but not all of the Shareholders, the Acquirer shall have the option to make payment to such Shareholders in respect of whom no statutory or other approvals are required in order to complete this Offer.

D.6. This Offer is not conditional on any minimum level of acceptance by the shareholders of the Target Company. The Acquirer will acquire the Equity Shares of the Target Company that are validly tendered as per the terms of the Offer upto a maximum of 7,930,000 (Seventy Nine Lacs and Thirty Thousand) Equity Shares at a price of INR 135/- (Indian Rupees One Hundred and Thirty Five Only) being 26.00% of the Fully Diluted Share Capital of the Target Company.

D.7. This is not a competitive bid in terms of Regulation 20 of the SEBI (SAST) Regulations. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

D.8. The Equity Shares and Options attached to the warrants of the Target Company will be acquired by the Acquirer free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof, but, subject to the provisions of lock-in in terms of the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

E. Acquirer do not have any plans to alienate any significant assets of the Target Company or any of its subsidiaries whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. ATTL's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations.

F. Upon completion of the Offer, assuming full acceptances in the Offer and conversion of warrants into equal number of Equity Shares, Acquirer will hold 20,260,030 (Two Crores Two Lacs Sixty Thousand and Thirty) Equity Shares representing 66.43% of the Fully Diluted Share Capital of the Target Company as on the tenth working day after the closure of the Tendering Period. Before the conversion of warrants into equal number of equity shares, the Acquirer will hold 15,960,030 (One Crore Fifty Nine Lacs Sixty Thousand and Thirty) Equity Shares representing 62.10% of the present paid-up equity share capital of the Target Company i.e. 25,700,000 (Two Crores and Fifty Seven Lacs) Equity Shares of INR 2 (Indian Rupees Two Only) each and 52.33% of the Expanded Share Capital of the Target Company i.e. 30,500,000 (Three Crores and Five Lacs) equity shares of INR 2 (Indian Rupees Two Only) each.

G. Pursuant to this Open Offer, the public shareholding in the Target Company will not reduce below the Minimum Public Shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and the Listing Agreement.

II. BACKGROUND TO THE OFFER

A. The Acquirer intended to make investment/acquisition in the shares of the Target Company by acquiring substantial shares and control over the Target Company by way of acquiring Equity Shares and Options attached to warrants from the Seller. Seller acquired control over Target Company by completing Open Offer in May 2018. Further, seller is son of Mr. Sanjay Gupta, who is the main promoter of APL Apollo Tubes Limited and Acquirer is the wholly owned subsidiary of APL Apollo Tubes Limited. Considering, the definition of 'promoter group' in terms of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Acquirer and Seller are members of the same promoter group, however, since the Acquirer and Seller do not qualify for exemption in terms of the provisions of Regulation 10(1)(a) of SEBI SAST Regulations for the proposed transfer of shares, hence the Acquirer triggered open offer obligation upon signing of Share Purchase Agreement with the Seller dated October 18, 2018 for the acquisition of Equity Shares and the Options attached to Warrants subject to the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. The afore-mentioned acquisition by the Acquirer is a consolidation of shares amongst the same promoter group, however, the said transfer couldn't qualify for the exemption in terms of the provisions of Regulation 10(1)(a) of the SEBI SAST Regulations, hence, the Acquirer made open offer to acquire substantial shares and control over the Target Company.

B. Acquirer has entered into a Share Purchase Agreement ("SPA") dated October 18, 2018 with the promoter of the Target Company naming Mr. Rahul Gupta ('Seller') for acquisition of 8,030,030 (Eight Lacs Thirty Thousand and Thirty) Equity Shares of face value of INR 2/- (Indian Rupees Two Only) each constituting 31.25% of the present paid-up equity share capital and 26.33% of the Fully Diluted Share Capital of the Target Company at a price of INR 120/- (Indian Rupees One Hundred and Twenty Only) each aggregating to INR 963,603,600 (Indian Rupees Ninety Six Crores Thirty Six Lacs Three Thousand and Six Hundred Only) and Options attached to 4,300,000 (Forty Three Lacs) Warrants at a price of INR 30/- (Indian Rupees Thirty Only) per Option aggregating to INR 129,000,000 (Indian Rupees Twelve Crores and Ninety Lacs Only) representing twenty five percent of the total consideration payable on the Options, as already paid by the Seller to the Target Company at the time of subscribing to the Warrants.

C. The salient features of SPA are as follows:

- SPA dated October 18, 2018 between the Acquirer and Seller for the acquisition of control and 8,030,030 (Eighty Lacs Thirty Thousand and Thirty) constituting 31.25% of the present paid-up equity share capital and 26.33% of the Fully Diluted Share Capital of the Target Company at a price of INR 120 (Indian Rupees One Hundred and Twenty Only) per share subject to the continuation of lock-in period in terms of the provisions of Regulation 79(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Options attached to 4,300,000 (Forty Three Lacs) Warrants at a price of INR 30/- (Indian Rupees Thirty Only) per Option representing twenty five percent of the total consideration payable on the Options, as already paid by the Seller to the Target Company at the time of subscribing to the Warrants.
- The total consideration for the Equity Shares is INR 963,603,600 (Indian Rupees Ninety Six Crores Thirty Six Lacs Three Thousand and Six Hundred Only).
- The consideration for the Options has been agreed to be INR 30 (Indian Rupees Thirty Only) per option aggregating to INR 129,000,000 (Indian Rupees Twelve Crores and Ninety Lacs Only) representing twenty five percent of the total consideration attached to the options as paid by the Seller to the Target Company. The balance seventy five percent of the consideration would be paid by the Acquirer on acquisition of Warrants or Equity Shares which would arise on conversion of warrants.

D. This Open Offer is for acquisition of 26.00% of the Fully Diluted Share Capital of the Target Company. After the completion of this Open Offer and pursuant to acquisition of equity shares and Option attached to warrants convertible into Equity Shares through Share Purchase Agreement and assuming full acceptance, the Acquirer will become the single largest Equity Shareholder with clear majority, by virtue of which it shall be in a position to exercise effective control over the management and affairs of Target Company.

E. The Acquirer is engaged in the business of manufacturing of steel tubes and pipes and the Target Company is also in the similar business and is setting up the manufacturing facility for tricoated tubes. The Acquirer as well as Target Company have significant synergy benefits in business and the acquisition will enable the best utilization of this synergy. It will permit the Acquirer to increase its capacity and will also enable the Acquirer to expand its product basket.

III. SHAREHOLDING AND ACQUISITION DETAILS

The current and proposed shareholding of the Acquirer in the Target Company and the details of its acquisition are as follows:

Details	Acquirer		Total	
	No. of Shares	%	No. of Shares	%
Shareholding as on the PA date	0	0.00	0	0.00
Shares acquired between the PA date and the DPS date	0	0.00	0	0.00
Post Offer shareholding (On Fully Diluted basis, as on 10 th working day after closing of tendering period)	20,260,030	66.43	20,260,030	66.43

IV. OFFER PRICE

A. The Equity Shares of the Target Company are listed and traded on BSE.

B. The annualized trading turnover in the Equity Shares of the Target Company based on trading volume during the twelve calendar months prior to the month of PA date i.e. October 18, 2018 (October 2017 to September 2018) is as given below:

Stock Exchange	Time Period	Total No. of equity sharestraded during the twelve calendar months prior to the month of PA date	Total No. Of Equity Shares	Annualised Trading Turnover (as % of Total Equity Shares)
BSE	October 01, 2017 to March 14, 2018	7,141,237	18,500,000	17.45
BSE	March 15, 2018 to September 30, 2018	6,126,539	25,700,000	13.06
	Total			30.51*

(Source: www.bseindia.com)

*Note: As the share capital of the Target Company was not identical during the twelve calendar months preceding the calendar month in which the PA is made, therefore, the trading turnover has been calculated by taking the weighted average of the number of total shares of the Target Company as specified in proviso to clause (j) of sub-regulation 1 of Regulation 2 of the SEBI (SAST) Regulations.

C. The Equity Shares of the Target Company are listed and traded on BSE and are frequently traded within the meaning of definition of 'frequently traded shares' under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations as on PA date.

D. The Offer Price of INR 135.00/- (Rupees One Hundred and Thirty Five Only) is justified, in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

S. No.	Particulars	Price
(a)	The highest negotiated price per share of the target company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer	INR 120
(b)	The volume-weighted average price paid or payable for acquisition by the Acquirer during 52 weeks immediately preceding the date of PA	Not Applicable
(c)	The highest price paid or payable for any acquisition by the Acquirer during 26 weeks immediately preceding the date of the PA	Not Applicable
(d)	The volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period	INR124.04

In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of INR 135/- (Rupees One Hundred and Thirty Five Only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

E. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.

F. In the event of further acquisition of Equity Shares of the Target Company by the Acquirer during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, it shall not be acquiring any equity shares of the Target Company after the one working day prior to the commencement of the tendering period and until the expiry of the tendering period.

G. If the Acquirer acquires equity shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

H. As on date, there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirer shall comply with Regulation 18 of SEBI (SAST) Regulations and all the provisions of SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.

I. If there is any revision in the offer price on account of future purchases / competing offers / it will be done only up to the period prior to one (1) working day before the date of commencement of the tendering period and would be notified to the shareholders.

V. FINANCIAL ARRANGEMENTS

A. The total fund requirement for the Open Offer (assuming full acceptances) i.e. for the acquisition upto 7,930,000 (Seventy Nine Lacs and Thirty Thousand) Equity Shares from the shareholders of the Target Company at an Offer Price of INR 135/- (Indian Rupees One Hundred and Thirty Five Only) per fully paid up equity share is INR 1,070,550,000 (Indian Rupees One Hundred Seven Crores Five Lacs and Fifty Thousand Only) (the 'Maximum Consideration').

B. Acquirer has adequate resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The additional fund requirement, if any, for acquisition in terms of the SPA and this Open Offer will be financed through the holding company of the Acquirer i.e. APL Apollo Tubes Limited.

C. The Acquirer, the Manager to the Offer and Yes Bank Limited, a company incorporated under the Companies Act, 1956, and carrying on business as a banking company under Banking Regulations Act, 1949 having one of its branch offices at D-12, South Extension Part - II, New Delhi - 110049, have entered into an Escrow Agreement dated October 20, 2018 for the purpose of the Offer (the 'Offer Escrow Agreement') in accordance with Regulation 17 of the SEBI (SAST) Regulations. In terms of the Escrow Agreement dated October 20, 2018 for the purpose of the Offer (the 'Offer Escrow Agreement') and in accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer has deposited cash of INR 10,755,555 (Indian Rupees One Crore Seven Lacs Fifty Five Thousand Five Hundred and Fifty Five Only) ('Security Deposit') being more than 1% of the Maximum Consideration in an Escrow Account bearing name and style as 'CPCL-ATLL-OPEN OFFER ESCROW ACCOUNT', (the 'Escrow Account') opened with YES Bank Limited.

D. The Acquirer has furnished a Bank Guarantee of an amount of INR 267,637,500 (Indian Rupees Twenty Six Crores Seventy Six Lacs Thirty Seven Thousand and Five Hundred Only) issued by Yes Bank Limited, a Banking Company registered under Companies Act, 1956 and having its registered office at Nehru Centre, 9th Floor, Discovery of India Bldg., Dr. Annie Besant Road, Worli, Mumbai- 400018 and one of its branch offices at D-12, South Extension - II, New Delhi - 110049 in favor of Manager to the Offer ('Bank Guarantee') being equal to 25% of the Maximum Consideration. The Manager to the Offer has been duly authorized to realize the value of aforesaid Bank Guarantee in terms of the regulations. The Bank Guarantee is valid upto 30 days after the closure of offer or February 11, 2019, whichever is later.

E. The Acquirer has authorized the Manager to the Offer to realize the value of the Escrow Account and Bank Guarantee in terms of the SEBI (SAST) Regulations.

F. CA Awanish Kumar (Membership No. 510868), Partner of M/s. AKDC & Associates, Chartered Accountants having office at 204, Second Floor, Pranav Complex, H-29, Laxmi Nagar, Delhi - 110092; Tel. No.: +91