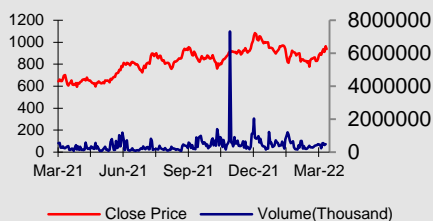
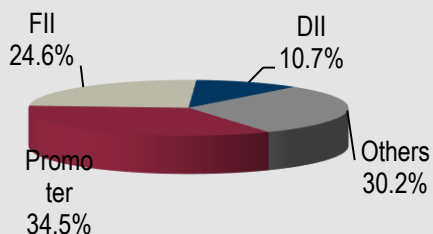


**Iron & Steel Products
(Building Materials)**
CMP **Rs 938.05**
Target Price **Rs 1188**
Key Data

Face value	2
Market cap (Rs Cr)	23,424
Total O/S shares (Cr)	25.01
Free Float (%)	65.4
52 week High/Low	1114.55/585
Avg. Monthly Volume (BSE)	24515
Avg. Monthly volume (NSE)	382760
BSE Code	533758
NSE Code	APLAPOLLO
Refinitiv Code	APLA.NS
Date of Incorporation	1986
Last Dividend Declared (Rs)	14.0
Indices	Nifty Metal

One Year Price/Volume Chart

Shareholding Pattern as 31st Dec 21


Source: Company, KJMC Research

Amit Yadav

Research Analyst

Email - amit.yadav@kjmc.com

APL Apollo Tubes Limited
BUY
De-commoditizing Product Portfolio to strengthening its position

APL Apollo Tubes is the largest and the most innovative producer of structural steel tubes and pipes in India, with a capacity of 2.6 million tonnes and market share at 50%.

Key Highlights

Forthcoming plant to accelerate volume, which will drive the Revenue growth – Over the years, the Company has expanded its capacity from 0.08 million tonnes in FY07 to 2.6 million tonnes in FY21 and achieved volume growth from 0.05 million tonnes in FY07 to 1.64 million tonnes in FY21 at a 15 years CAGR of 28.2% and 26.8% respectively. With the expanded capacity and volume growth supported by organic and inorganic expansion, the result of its efforts is reflected in the dominant market share at 50%. The Company has maintained a sharp focus on growing its business, strengthened its distribution network and increased its Revenue at 30% and PAT at 34% CAGR over past 15 years. To continue the growth momentum, the Company has implemented 11th Greenfield Raipur facility in Chhattisgarh with a total capex outlay of Rs 8 billion. The new facility is expected to become partially operational from H1FY23 onwards. The facility will add incremental 1.5 million tonnes of capacity over 3 years and target volume is likely to be 4 million tonnes by FY25. This robust expansion reflects superior revenue visibility to drive company growth.

Strengthening its Roots in value added products to improve margins ahead – As the new facility becomes operational from FY23 onwards and which is dedicated mainly towards producing a high margin and value added products such as Color Coated Tubes and 500 sq columns. This will eventually result in the Company's sales mix to be 75% in favor of value added mix products in its revenue basket in the next 2-3 years period. With the improvement in value added products portfolio EBITDA per tonne will also improve gradually going ahead.

Solid free cash generation lead by superior utilizations of Assets – The Company has continued to focus on strengthening its balance sheet by reducing leverage. The Company has ambition to become debt free by FY23. Its D/E in FY21 stands at 0.24x as against 0.81x in FY17. In the past, the Company has created enough capacity to meet its growth aspiration in the coming years. Now the Company will likely focus on improving its Asset turnover. With better sales volume guidance, improving margin from value added products, limited capex spends in the future, well controlled working capital cycle (adopting a cash-and-Carry model) and its ability to convert EBITDA into operating cash flow at a healthy rate - we anticipate robust free cash flow generation over FY21-FY24.

Best in class Capital Allocation across the Industry – APL Apollo has shown remarkable restraint in its capital allocation. The Company's Revenue growth at a 30% CAGR over 15 years was achieved without any major constraint on the Balance Sheet. The Company's prudence in its capital allocation is evident in the steady ROCE growth to ~26% in FY21 from ~19% in FY11. With the new facility going on stream with focus on value added products, reducing net working capital cycle, deleveraging balance sheet will generate solid free cash flow. This will further boost company's ROE and ROCE going ahead.

Enjoying industry leading Market Share – The Company has dominating market share at 50% in the structural steel tubing industry. Its closest peers have 9% market share. The Company has been able to increase its market share from 27% in FY16 to 50% in FY21 and in last 12 months, the company has gained 10% market share as a result of its large distribution network, rising sales volume, and rejuvenated large product basket with pioneering product solutions. None of the peer, have been able to gain market share due to their leveraged balance sheet which reduces their capability to expand and grow.

Valuation: We anticipate, APL's Revenue/PAT/OCF to grow at a CAGR of 37/47/14% over FY21-24E, we initiate coverage on APL Apollo with a "BUY" recommendation with a Target price of Rs 1188 (upside of 27%) valuing the company at 23x historical average on FY24E EPS.

Financial Snapshot

(Rs in INR Cr)

Particulars	FY20	FY21	FY22E	FY23E	FY24E
Revenue	7,723	8,500	12,758	16,751	21,994
EBITDA	477	679	987	1,382	1,892
Profit after tax (PAT)	256	408	655	932	1,292
EPS (Rs) Adjusted	10	16	26	37	52
ROCE (%)	17.5	25.3	30.1	33.1	34.6

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APL Apollo Tubes - Business Overview

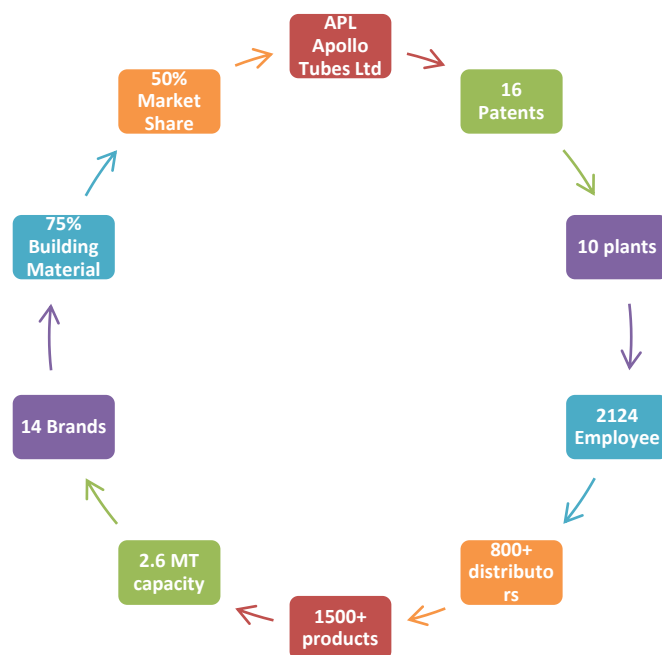
APL Apollo is one of India's leading building material structural steel tube brands. Headquartered at Delhi NCR, the Company operates at 10 manufacturing facilities with a total capacity of 2.6 MT. It has a Pan India presence with units strategically located. The Company's multi products, offerings over 1500 varieties of MS Standard tubes, Galvanized tubes, Pre-Galvanized tubes, Structural ERW steel tubes and hollow sections to serve industry applications like urban infrastructure, housing, irrigations, solar plants, greenhouses and engineering. It's wide and deeply entrenched 3-tier distribution network, comprising more than 800+ distributors, is spread all over India, with warehouses-cum-branch-offices in over 20 plus cities serving the growing demand for structural steel. The Company also enjoys a global footprint across 30 countries.

Exhibit 1 - Evolution in the Company

Year	Journey So Far
1986	Year of Incorporation. Set up the first manufacturing plant in Sikandarabad Ghaziabad
1994-02	Commissioned a new galvanizing plant, new tube mill including modern gallium high speed mills and listed on the Exchanges
2003-04	Developed in house Hollow Sections across a wide designs and first in India to launch Pre-galvanized pipes
2007-08	Acquired and turned around Apollo Metalex plus Shri Lakshmi metal udyog in Bangalore. Achieved pan India status
2009-10	Commissioned plant at hosur, started multiple warehouses across India and started coil galvanizing for GP pipes
2011-12	Name changed to APL Apollo tubes from Bihar Tubes. Acquired and turned around Lloyds line pipes limited plant near Mumbai
2013-14	Launched Door & Window frames and railing tubes. Implemented SAP. Developed and procured CRFH Coils from JSW steel to expand product range.
2015	First in India to achieve a capacity of 1 MTPA Steel Pipes
2016-17	Commissioned Greenfield facility at Raipur Chhattisgarh Established India's 1st ever DFT lines at Company's plant at Raipur, Hosur and Murbad First to introduce Direct Forming Technology (DFT) in India and achieve sizes of 300*300 Awarded patents for six products Design types
2018	Acquires Equity stake in Apollo Tricoat Tubes.
2019-20	Invested in a manufacturing unit in Hyderabad and some land in Raipur. Concluded the acquisition of the Taurus Value & Pipes
2020-21	Invested in two warehouses in North (Noida) and East (Raipur), expansion of warehouse in South and West region Engaged Ernst and Young associates LLP (E&Y) for an ESG quality assessment exercise Announced merger of Apollo Tricoat with APL Apollo tubes. Changed the business model from Credit to cash-and-carry.

Source: Company

Exhibit 2 - In a Nutshell



Source: Company & KJMC Research

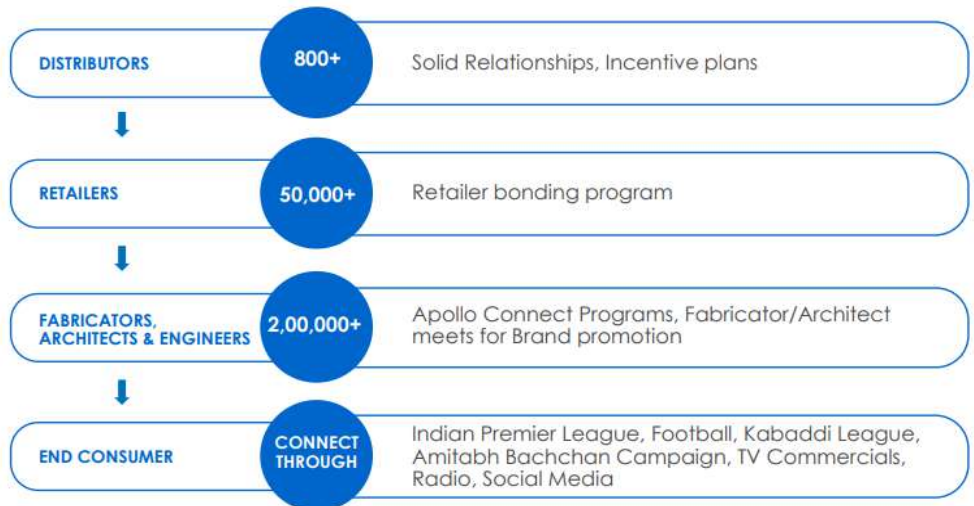
Exhibit 3 - Serving the followings applications

Product Category	Sales Volume Mix (%)	Applications
Apollo Structural	63%	
Residential Buildings & Independent Homes	25%	Structural, Piling, Sheds, Handrails, Gates, Fencing, Balcony Grills, Staircase, Light Structures
Commercial Buildings, Warehouses & Factories	14%	
Infrastructure	20%	Structural for Metros, Airports, Stadiums, Stations etc
Industrial & agriculture	4%	Heavy Equipment
Apollo Z	19%	
Residential Buildings & Independent Homes	14%	Galvanized structural steel tubes for coastal markets
Commercial Buildings, Warehouses & Factories	5%	
Apollo Tricoat	14%	
Residential Buildings and Independent Homes	11%	Door Frame, Staircase Steps, Furniture, Plank, Designer Tubes, Fencing, Electrical Conduits
Commercial Buildings	3%	
Apollo Galv	4%	
Commercial Buildings	3%	Galvanized Structural, Greenhouse Structures, Plumbing, Firefighting
Industrial & agriculture	1%	
Total	100%	



Source: Company (9MFY22)

Exhibit 4 - Focus on B2C Channel

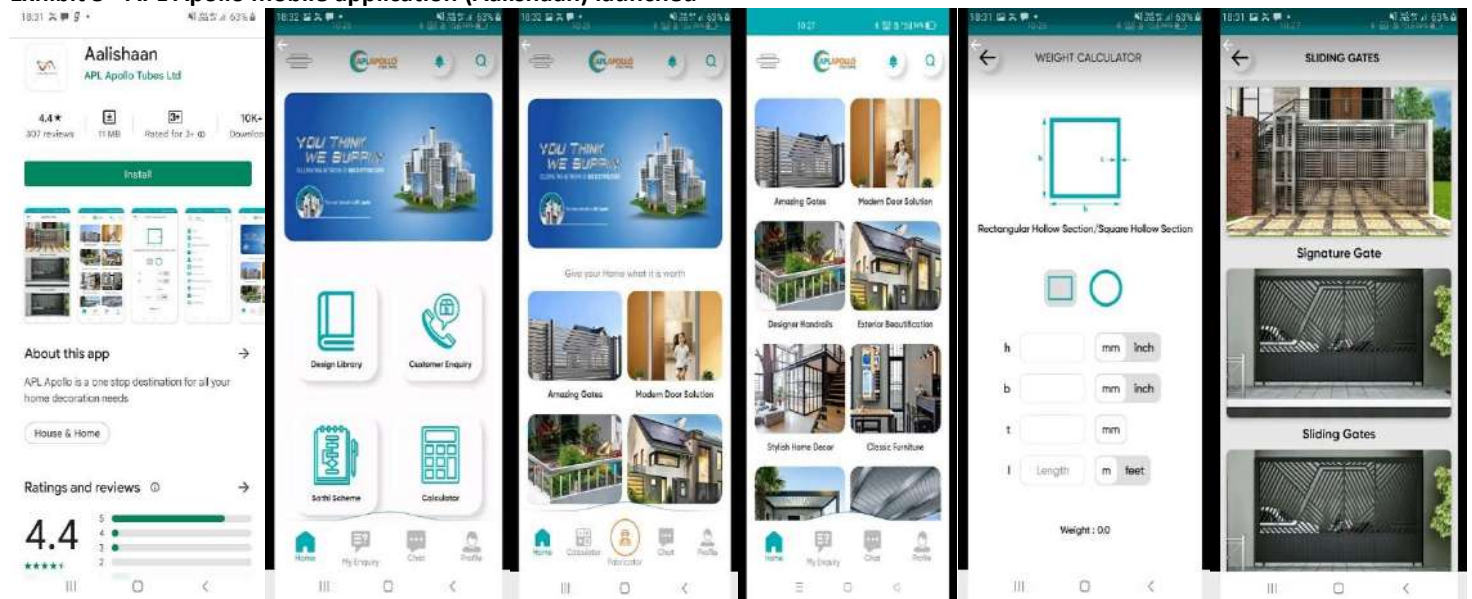


Source: Company

Merger of Apollo Tricoat tubes i.e. its centric approach will enhance the Group's brand equity.

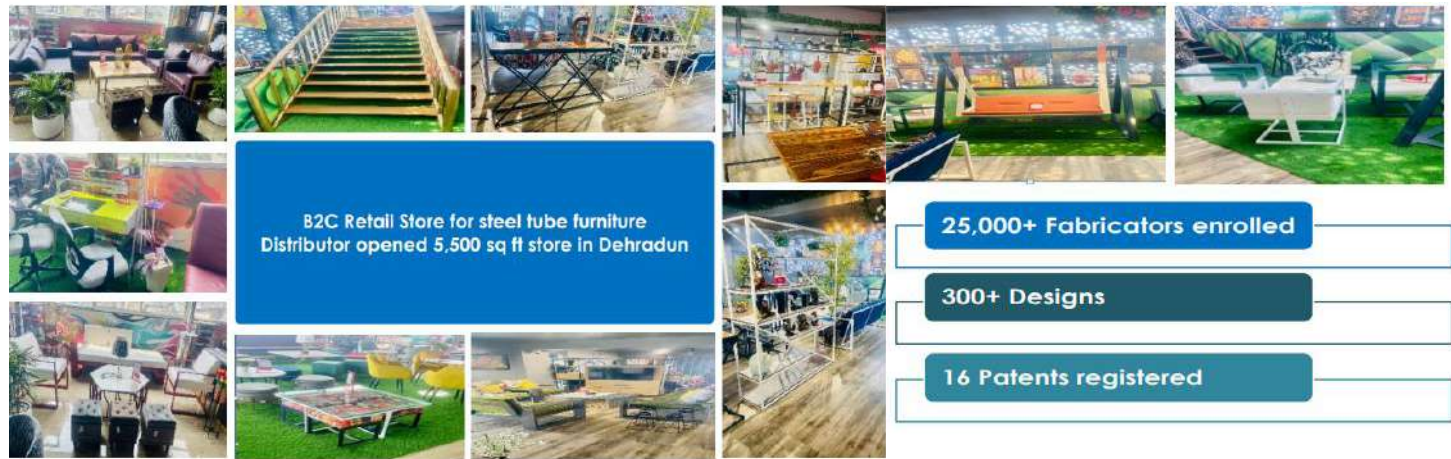
The company has also appointed Tiger Shroff as the second brand ambassador to encourage B2C consumer facing.

Exhibit 5 - APL Apollo mobile application (Aalishaan) launched



Source: Company

Exhibit 6 - B2C Retail store (Consumer facing)



Source: Company

On March 21st, 2022 – APL Apollo announce that it has entered into an agreement with Shankara to invest Rs 1050 mn through preferential convertible warrants. Which will further strengthen its long standing association with Shankara and help both the companies in chalking out enhanced revenue trajectory over coming years.

- 1) APL Apollo Mart Ltd (a wholly owned subsidiary of APL Apollo Tubes Ltd to buy minority equity shares in Shankara Building Products Ltd.
- 2) The Company will buy 1,000,000 shares from Promoters @ Rs 755 per share. 1,400,000 preferential convertible warrants @ Rs 750 per warrant. Total holding after the issue of the warrants will be 9.90% on fully diluted basis.
- 3) The investment is in line with APL Apollo's growth plan. Which is funded from internal cash flow. While the transaction being EPS and ROCE accretive for company.
- 4) Shankara amongst APL Apollo's key distributors having a business association of over 15 years.
- 5) Previously in April 2019 – APL acquired Shankara's 200k ton Hyderabad plant for Rs 700 mn. APL Apollo recovered its investment cost within 3 years boosting overall ROCE.
- 6) The current equity investment in Shankara expected to complete in Q1FY23, subject to all requisite closing conditions.

Shankara building is one of India's leading organized retailer/wholesaler of home improvement and building products. Presence in 10 states with cumulative store base of 90 covering 450,000 sq.ft. Sells over 30,000 SKUs across the entire home construction and renovation lifecycle. The Company has revenue of Rs 22 bn (annualized FY22) with steel tubes/products forming majority of sales.

Apollo Mart – Market place with own brand materials

The Company has setup a 100% subsidiary to develop a new related business line. This venture has three objectives – To strength APL Apollo's positioning in Indian building material space with the commencement of trading of steel building material products. Which gives potential Rs 2,200 bn market size outside structural steel tubes. The business will be developed by leverage APL Apollo existing distribution network to expand beyond 800 distributors to penetrate into the markets. The company's ultimate goal is to become India's largest tech enabled B2B platforms for steel building material products.

Exhibit 7 - Apollo Mart (Strategic Rationale) at a Glance

- To become India's largest market platform for steel building materials
- To leverage Apollo Brand and enhance the distribution network
- 100% subsidiary of APL Apollo Tubes

Tech enabled trading platform for Steel building material products

Products other than steel tubes	Market size (Rs bn)
Trmt bars	1,480
Structural sections	228
Metal sheets	325
Welding rods	46
Mesh net steel	40
Binding wire	80
Potential addressable market size	2,200

To start with existing distribution network and expand reach in untapped markets

- Reach expansion will boost penetration for APL's products
- Pan-India warehousing infrastructure with initial 4 locations
- Outsource newer products from local manufacturers
- Introduction of private labels wherever applicable



- **FOCUS & LEARN:** A separate sales & service team will provide increased focus on and learning from our smaller retailers, dealers and their end customers
- **BRAND:** Leverage the **APOLLO** brand to build market share & margin with our dealer base by adding highly adjacent materials in Steel (white label)
- **DIGITIZE:** Use the dealer base & increased market presence to develop a full tech & logistics platform for the existing business first
- **PLATFORM:** Offer the platform to a large set of customers and suppliers to become India's largest full-stack marketplace for steel building materials



Source: Company

Adding Strength to Architectural Designs

Product & Brands Portfolio – An Overview

Apollo Structural – Hollow Section, manufacturer’s high tensile strength structural tubes which are used widely in various construction applications. It is also used in various industries including automotive machinery, furniture etc. These sections come in various shapes and sizes and finishes.

Exhibit 8 - Apollo Structural (Hollow Section) brands



Source: Company

Strengthening the Roofing structure

Apollo Z – Pre Galvanized (GP) sections of square, rectangular and circular tubes used for roofing structure. Specially designed for coastal regions these tubes are highly durable, sustainable, and stable that can withstand extreme weather conditions and offer excellent corrosion resistance. Apollo Z is an effective solutions for roofing structures to provide protection from rains and sunlight.

Exhibit 9 - Apollo Z – Pre Galvanized brands



Source: Company

For Industrial & Agricultural Purposes

Apollo Galv is a range of Galvanized Iron (GI) products suitable for industrial and agriculture usage. Crack –resistant, it is made of round, square and rectangular GI tubes that are used for structural applications in high humid regions. Galv works well for Greenhouse structure and agricultural system for pumping water and irrigations.

Exhibit 10 - Apollo Galv brands



Source: Company

For Multipurpose works – Housing Construction, Infrastructure, Agriculture, Fire protection, HVAC duct pipes, Electrical Conduct etc.

Apollo Standard is a range of black round tubes used in plumbing systems of building to carry water/steam through the HVAC, fire – fighters and structural steel construction material. Each of the brands under Apollo standard are made for structural, fire system, and Agricultural/ plumbing specific usage.

Exhibit 11 - Apollo Standard brands



Source: Company

Apollo Exclusive is a distinctive range of products from APL Apollo’s house of innovation. Designed after due deliberation, each of its exclusive products which are superior to the generally available tubes in the market. Offered in oval, octagon and elliptical variety Apollo Exclusive are value added products made to ease the fabrication process.

Exhibit 12 - Apollo Exclusive brands



Source: Company

Ready to use home Building Solutions

Apollo Concept offers a distinctive range of ready –to –use solutions to ease the process of home buildings in style. Offering hassle – free installation, each of the products ensure highest of quality, safety and security to the users.

Exhibit 13 - Apollo Concept brands



Source: Company

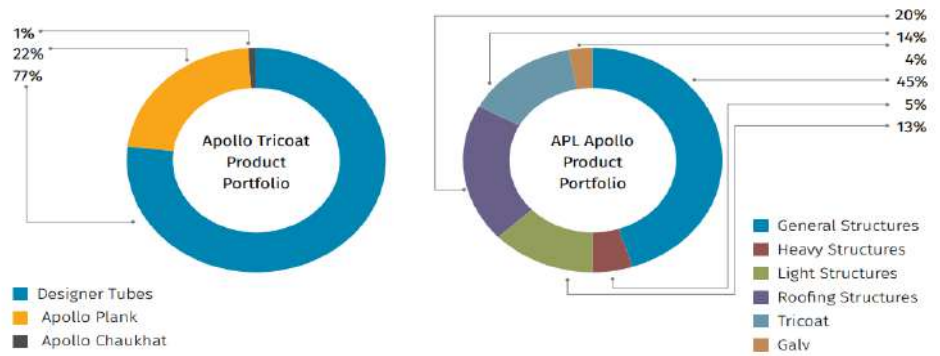
Apollo Tricoat is a unique product that uses the most advanced galvanized technology, the “tricoat process” bringing the cutting – edge technology for the first time in India, Tricoat pushes existing benchmarks to set new standards. Manufactured using Galvant Technology Apollo Tricoat tubes ensure that the corrosion resistance offered is top of the line and provides the maximum benefit to the user.

Exhibit 14 - Apollo Tricoat brands



Source: Company

Exhibit 15 - Diversification of the products range through merger



Source: Company (Apollo Tricoat)

Patented Products – the company’s continue efforts on R&D is an affirmation of its innovative aspirations to create a new market for structural steel. These products are used in various building material applications and would replace existing conventional products like wood, aluminum, concrete and steel angles and channels. At current, APL has 16 patents for its innovative products.

Exhibit 16 - Patent products portfolio

Double Door Chaukhat Tube	Apollo Signature	Four Double Door Chaukhat Tube	Single Door Chaukhat Tube
Elliptical Tube for electric transformers	D Section for Handrail/Fence	Handrail Tube	Window Frame Tube (L)
Window Frame Tube (T)	Window Frame Tube (Z)	Reflector Tube	Oval Tube for Gym equipment
Plank Tube	Octagon Tube for Furniture	Fencing Tube	Checked Section

Source: Company

Creating own market – The Company has developed 500 sq columns for tall building (high –rises and skyscrapers), Pre-Engineered Buildings (PEB) and heavy infrastructure namely airports, and the likes. In addition to creating new product, the company has inked an MOU with Zamil Steel Buildings India to develop a market for pre-engineered steel buildings (PEB) made from structural steel tubes. The usage of structural steel tubes in India has been just 5% in PEB structures against a global average of 20%. Hence, India has lots of catching up to grow the market in the coming future. The following partnership will help create a new market of 200,000 tons per annum for the high diameter and high thickness steel tubes “Apollo Column in the coming future”.

Exhibit 17 - Advantage of Structural Steel tubes over PEB



Source: Company & KJMC Research

Exhibit 18 - Creating own market by replacing the conventional products

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

How to replace the conventional products?

Low Diameter Steel Tubes/Low Load Bearing

High Diameter Steel Tubes/High Load Bearing

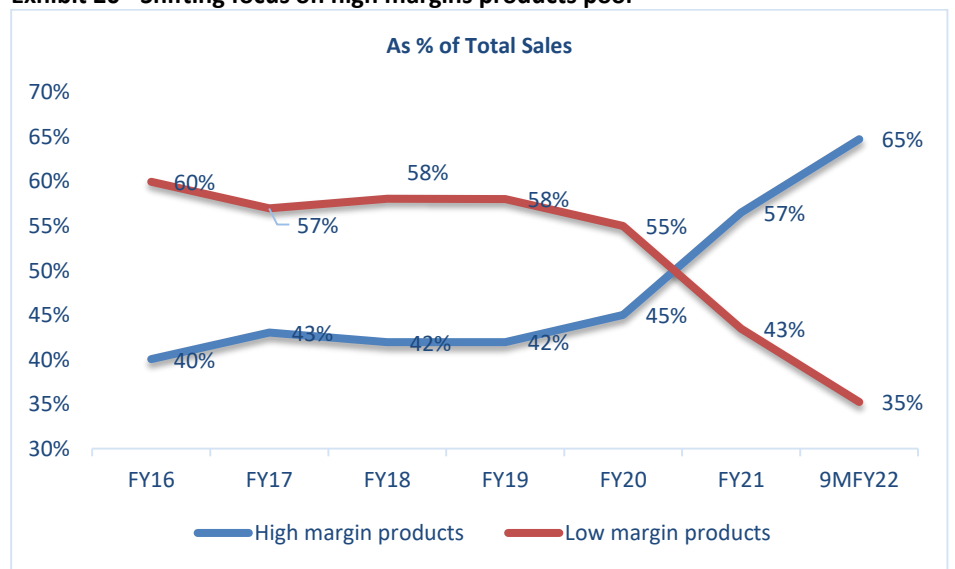
Source: Company

Exhibit 19 - Benefits of replacing woods product



Source: Company

Exhibit 20 - Shifting focus on high margins products pool



Source: Company & KJMC Research

Growth Opportunity in Structural Steel Pipe Industry

APL Apollo is one of the leading building material structural tube brand with a dominant market share of 50%. The Company has emerged as a one –stop-shop for the largest spectrum of structural steel tubes in India. Structural steel tubes are widely used in the construction business which has also been used to replace Conventional construction Products like Wood, Aluminum, Reinforced Cement Concrete, Fabricated Metal sheet etc for Uniform Strength, lower steel consumption, Cost effective, termite proof, Environment friendly, faster construction, reduced overall project cost. Steel pipes and tubes are preferred because of their durability as they combine high strength with low weight, so they are ideal to use. They are capable of withstanding high heat and pressure, shock and vibrations.

India’s structural steel story remains intact. The structural tubing market in India is pegged at 4MnT per annum, the country’s total steel consumption is at around 100 MT. Means, and the consumption of structural steel tubes is at about 4% today in India. But if we map the global data this number of 10% and the total steel consumption globally which is around 1700 – 1800 MT, then the structural steel tube market globally is at around 170 MT. The following data indicates the potential withheld by the structural steel tube market, mainly in emerging countries like India. With evolving the infrastructure and construction, landscape backed by robust capital outlay (Rs 7.5 lakh Cr – Union Budget 2022) hopeful the market to expand from the existing 4% to 10%. With the ample opportunity to grow APL Apollo will have first mover advantage due to its dominant market share, healthy balance sheet, bargaining power with suppliers etc.

Exhibit 21 - Structure of the Steel Sector



Source: IBEF

The demand for structural steel tube is expected to gain traction in the coming years. There is a paradigm shift in the approach to steel consumption and increased recognition and acceptability for structural steel tubes and pre-engineered building material in India. While globally the proportion of structural steel tubes is around 10% of the total steel consumption. As India lags at 4-5% there is further scope for an increase in the consumption level.

Exhibit 22 - Strong demand for steel pipe to trigger per capita consumption

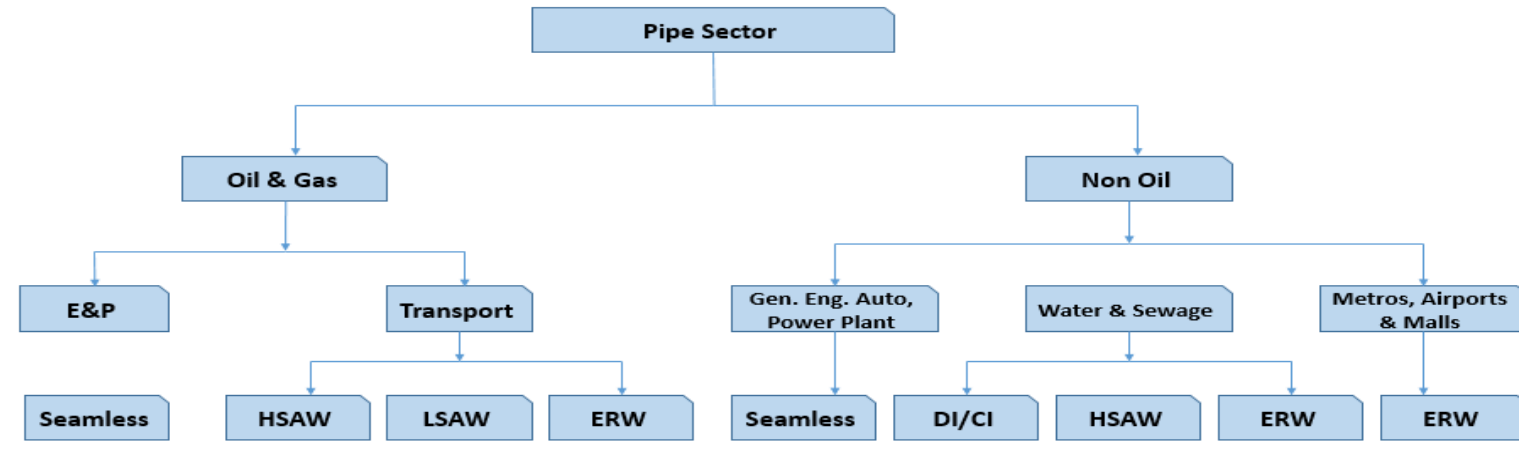
	Steel consumption	Pipe Consumption	Pipe consumption as a % of steel	Per Capita Consumption	
	Mn ton	Mn ton	%	Steel Kg	Pipe Kg
Global	1,573	156	10%	208	21
China	800	80	10%	568	57
India	105	10	10%	75	6
Rest of the World	673	68	10%	140	14

Source: Company

Electrical Resistance Welding (ERW) Pipes

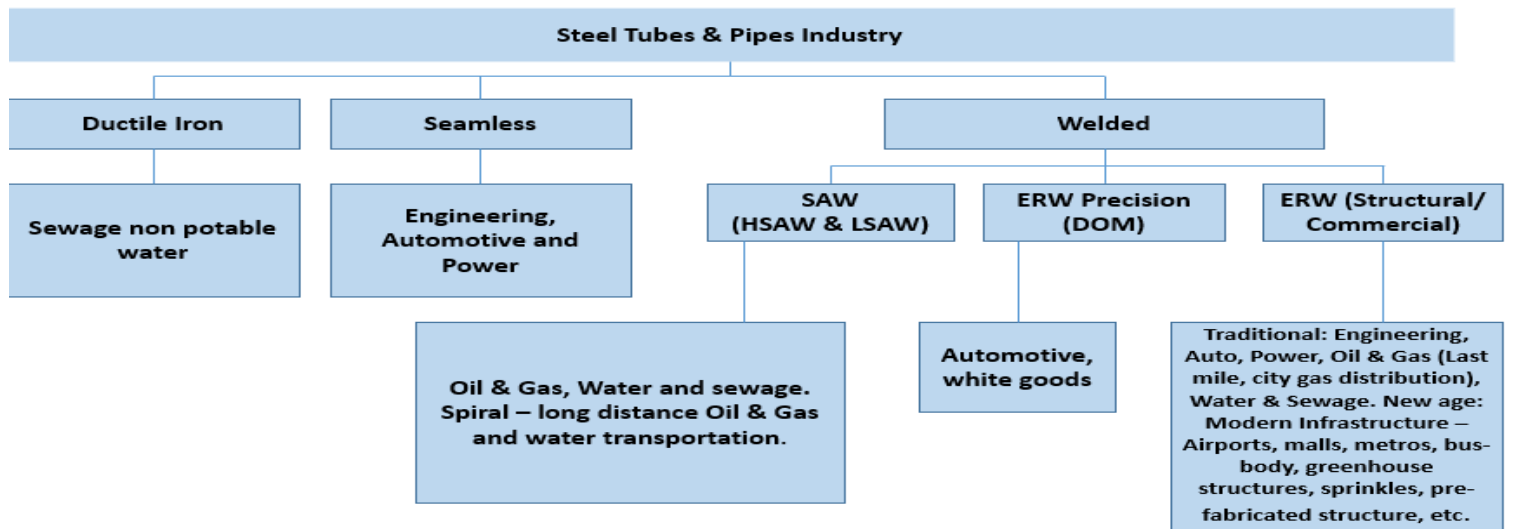
ERW pipes are manufactured by cold forming of steel coil into a round cylindrical shape. APL Apollo is engaged in the business of production of ERW steel tubes.

Exhibit 23 - Pipe Sector and its applications



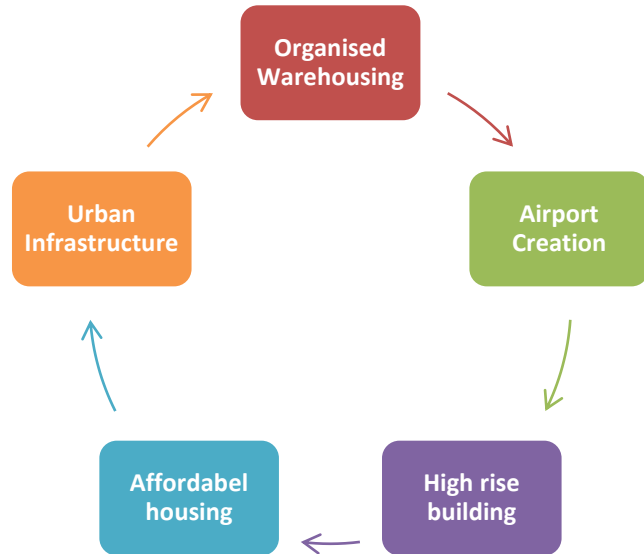
Source: Company & KJMC Research

Exhibit 24 - Steel Tubes & Pipes Industry Structure



Source: Company & KJMC Research

Exhibit 25 - Opportunity ahead for Structural steel tube Industry



Source: Company & KJMC Research

- a) Column
- b) Alpha
- c) D Section
- d) Octagon
- e) Fire Read
- f) Narrow Section
- g) Small Section
- h) Chaukhat
- i) Wondoor
- j) Handrail
- k) Plank
- l) Fence
- m) Bheem
- n) Signature
- o) Coastguard

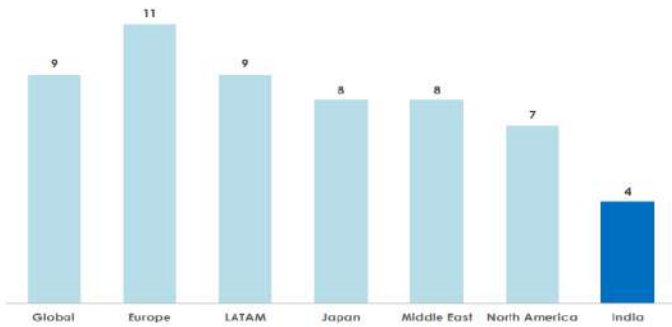
Exhibit 26 - Use of the products in the building space



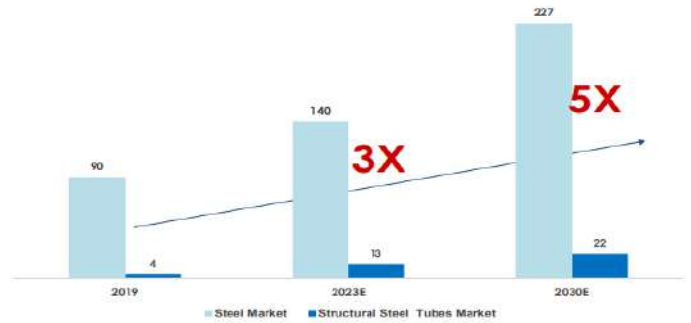
Source: Company

Exhibit 27 - India at the start of Structural Steel usage

Structural Steel Tubes Market as % of Steel Market (2020)



Potential Structural Steel Tubes Market in India (Mn Tons)



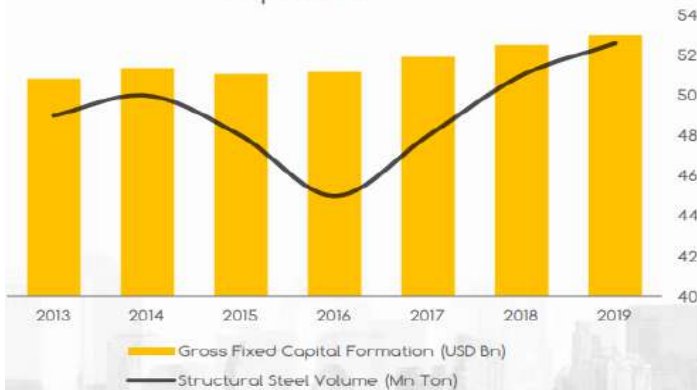
India has huge structural steel tubes based construction potential

Note: Structural Steel Tubes is 4Mn ton market size, out of total ERW market size of 6Mn ton (balance is water transportation)
Source: Company data and Industry research

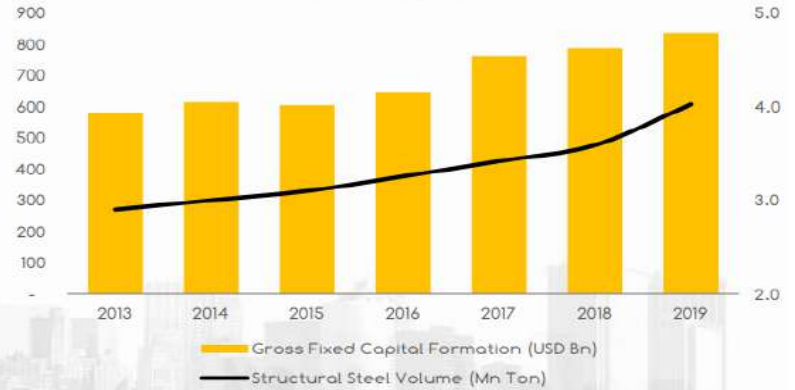
Source: Company

Exhibit 28 - Structural Steel Tubes market expansion linked to construction activity

Global Structural Steel Tubes Market expansion



Indian Structural Steel Tubes Market expansion



Source: Company

Exhibit 29 - Warehousing Structure and opportunity (glimpse)

Warehousing

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

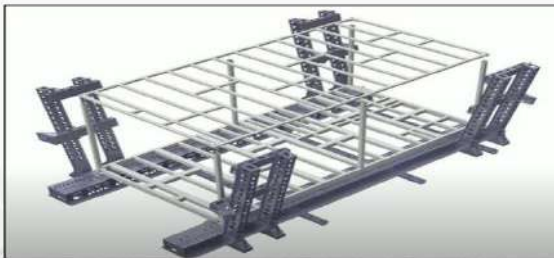


Source: Company

Exhibit 30 - Affordable housing structure and opportunity (glimpse)

Affordable Housing

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



Modular Building Concept

Source: Company

Exhibit 31- Urban Infrastructure structure and opportunity (glimpse)

Urban Infrastructure

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

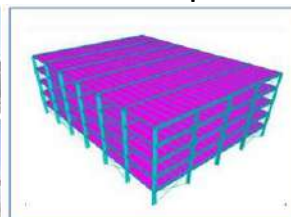


Source: Company

Exhibit 32 - Future of Construction



Exhibit 33 - Glimpse of the projects



Hospital (2mn sqft)
To be completed within 6 months
Structure to be completed within 50 days



Oxygen Plant (0.1mn sqft)
Structure completed in 15 days
More enquiries inline

Benefits of using APL Apollo tubes in above steel structures	
20% less steel consumption in structure	10% savings in total project cost
Faster project completion	Environment friendly construction

Source: Company

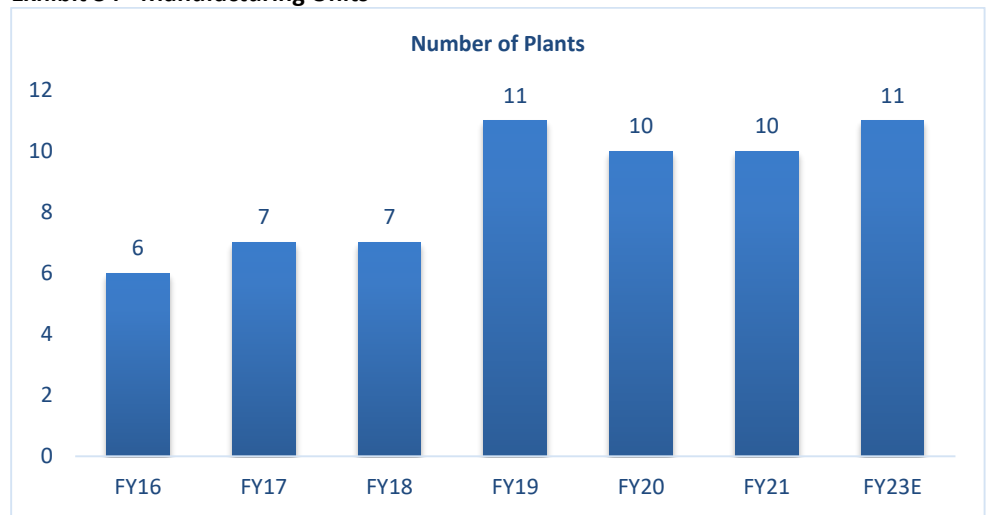
Key Investment rationale

Forthcoming plant to accelerate volume which will drive the Revenue growth

Over the years, the Company has expanded its capacity from 0.08 million tonnes in FY07 to 2.6 million tonnes in FY21 and achieved volume growth from 0.05 million tonnes in FY07 to 1.64 million tonnes in FY21 at a 15% CAGR growth of 28.2% and 26.8% respectively. With the expanded in its capacity and volume growth supported by organic and inorganic expansion to continue the growth momentum, the Company has implemented 11th Greenfield Raipur facility in Chhattisgarh with a total capex outlay of Rs 8 billion. The Company has spent around 50% of the total budgeted capex of Rs 8 billion and the rest Rs 4 billion would be spent over the next 2-3 quarters which will be funded from the internal cash flow. The contributions from this plant are key to its FY2025 sales volume target of 4 million tonnes.

The facility is expected to become partially operational from H1FY23 onwards. It will add incremental 1.5 million tonnes of capacity over 3 years. For instance, in FY23E sales volume is targeted at 2.3 MT, FY24E 3.0 MT, and FY25E ~4 MT as per our internal calculations and management guidance. The new capacity at Raipur is being expanded in a phased manner which will enable the Company to cater to East India better and it will focus mainly on value added products and high diameters tubes, which will play a key role to increase value added products mix and improve EBITDA/tons further.

Exhibit 34 - Manufacturing Units



Source: Company & KJMC Research

Exhibit 35 - Raipur plant – An Overview



HIGHLIGHTS

- Upcoming 400 Acre Raipur plant
- Project to commence in phases starting H1FY23
- Total Capacity – **1.5mn ton**
- 100% value added products
- Total capex **Rs8 bn**; **c50%** already incurred

Source: Company

3 Products:

- Apollo Column - 0.5mn ton capacity with high Dia and high thickness sizes upto 500mm X 500 mm
- Coated tubes - 0.5mn ton capacity
- Coated products - 0.5mn ton capacity



An Area of 1.5 mn square feet being built using 100% Apollo Column Tubes.



Source: Company

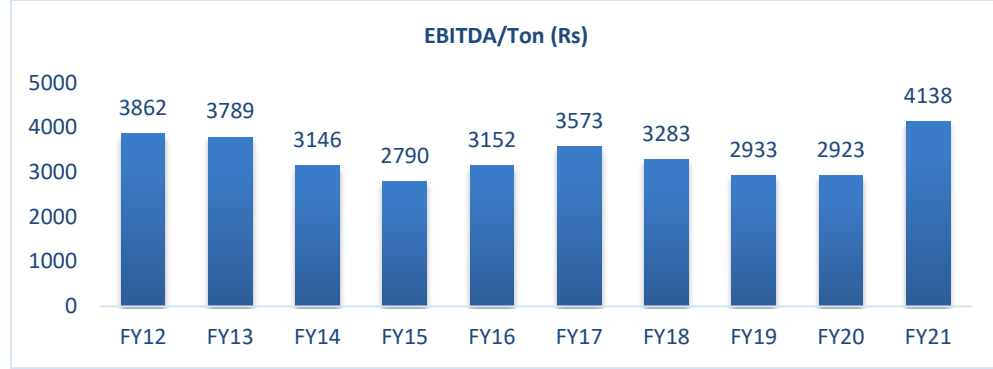
The Company is setting up production lines 200,000 TPA each for two product lines in value added category: 1) 500*500 sq diameter tubes under heavy structural tube segment, 2) color coated tubes under home décor segment. This project is being implemented in the Company's Greenfield Raipur facility.

Value added products with EBITDA more than Rs 4,000/ ton and Standard products with EBITDA around Rs 2000/ton.

Strengthening its Roots in Value added products to improve margins ahead

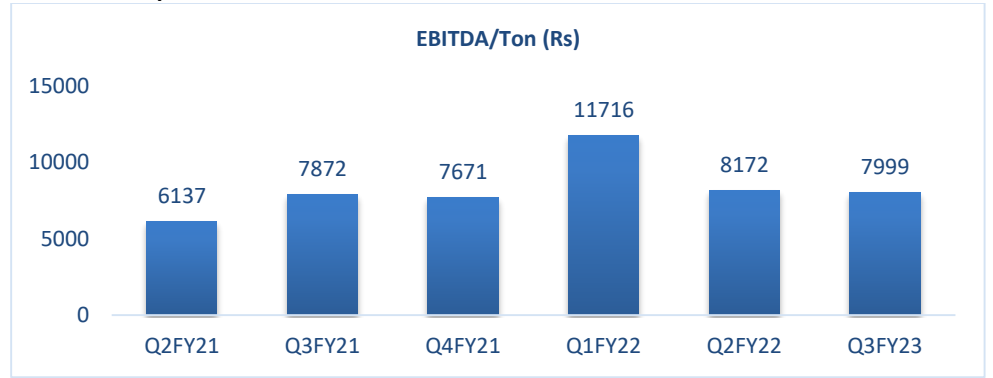
With a focus on De-Commoditizing product portfolio and strategy to improve the value added product sales mix. The Company has setup up new facility with incremental 1.5 million tonnes capacity, which is divided among three products and is a 100% value added category, this will eventually take its sales mix to 75% in favor of value added products from 65% in 9MFY22. The second trigger to increase value added pool is the merger of Apollo Tricoat tubes (includes high margin products in home improvement products segments) with APL Apollo tubes which will result in additions of innovative value added products to APL Apollo's portfolio.

Exhibit 36 - APL Apollo's EBITDA/ton trend



Source: Company & KJMC Research

Exhibit 37 - Apollo Tricoat's EBITDA/ton trend



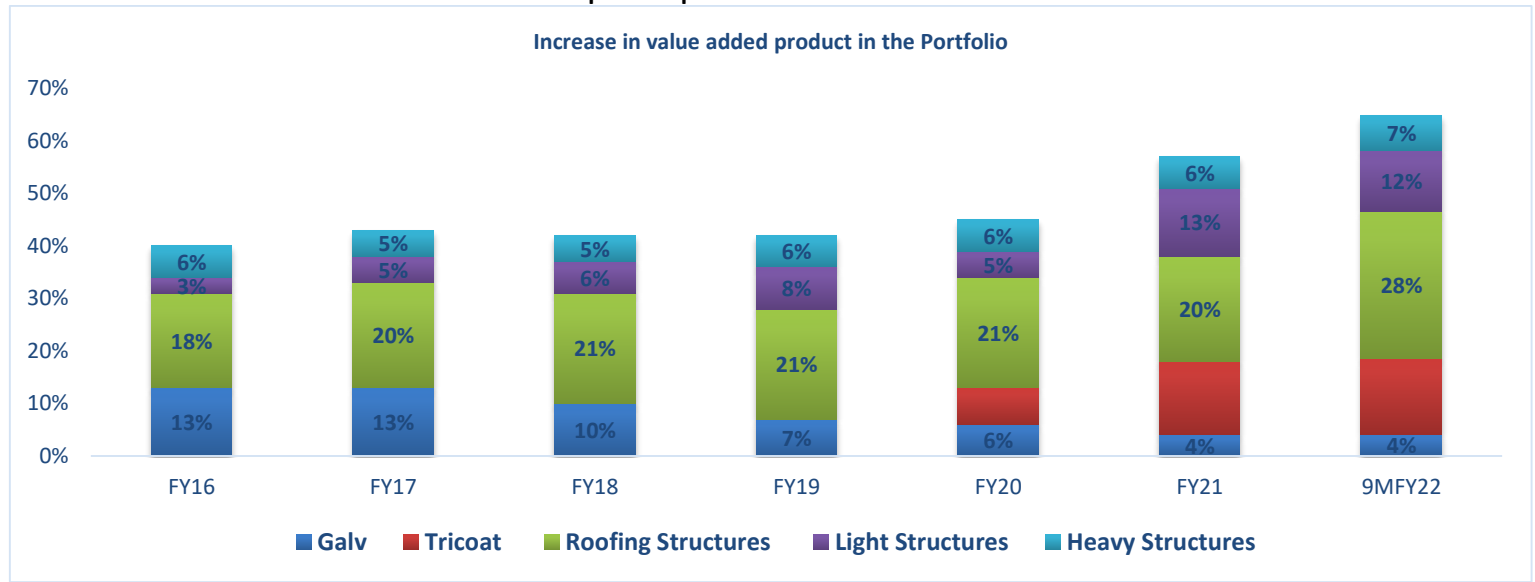
Source: Company & KJMC Research

Exhibit 38 - De-Commoditizing product portfolio

Product Category	Application	FY18			FY19			FY20			FY21			9MFY22			Annual Capacity (KTon)
		Sales Mix (%)	Volume (KTon)	EBITDA/Ton (Rs)	Sales Mix (%)	Volume (KTon)	EBITDA/Ton (Rs)	Sales Mix (%)	Volume (KTon)	EBITDA/Ton (Rs)	Sales Mix (%)	Volume (KTon)	EBITDA/Ton (Rs)	Sales Mix (%)	Volume (KTon)	EBITDA/Ton (Rs)	
Apollo Structural	Heavy Structure	5	52	3,707	6	80	3,775	6	101	4,000	6	95	4,721	7	81	7,217	200
	Light Structure	6	70	3,658	8	108	3,707	5	87	3,800	13	213	4,717	12	139	5,330	430
	General Structure	58	656	2,052	58	777	1,615	55	898	1,361	43	713	1,658	35	424	2,246	1,000
Apollo Z	Rust-proof Structure	21	241	5,691	21	279	5,568	20	333	5,021	18	294	6,728	22	266	8,246	450
	Rust-proof sheet	-	0	4,704	-	3	4,703	0	2	5,000	1	23	4,720	6	70	5,345	50
Apollo Tricoat	Home improvement	-	-	-	-	-	-	7	113	6,589	14	231	7,072	14	174	9,327	350
Apollo Galv	Agri/Industrial	10	111	4,880	7	92	4,362	6	99	3,952	4	71	6,040	4	50	6,552	120
Total		100	1,130	3,283	100	1,339	2,933	100	1,633	2,923	100	1,640	4,138	100	1,203	5,644	2,600

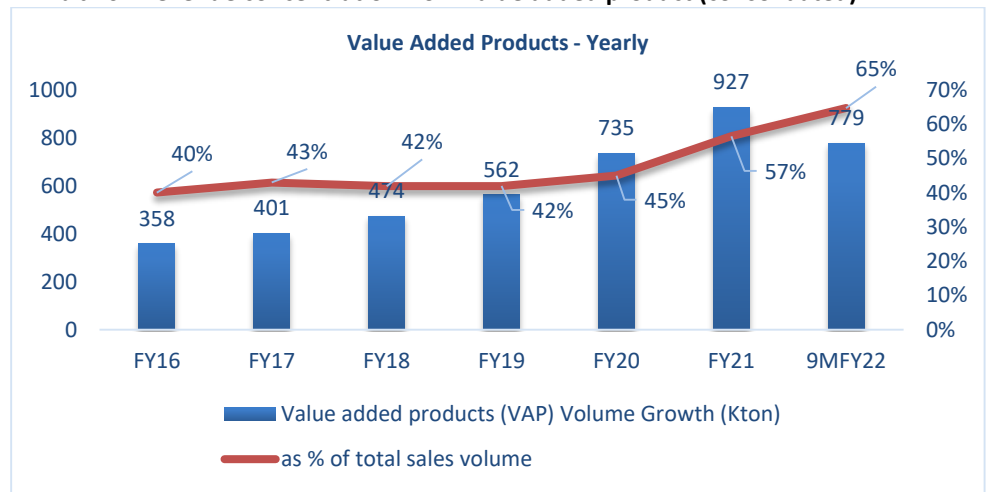
Source: Company & KJMC Research

Exhibit 39 - Revenue contribution from value added product portfolio



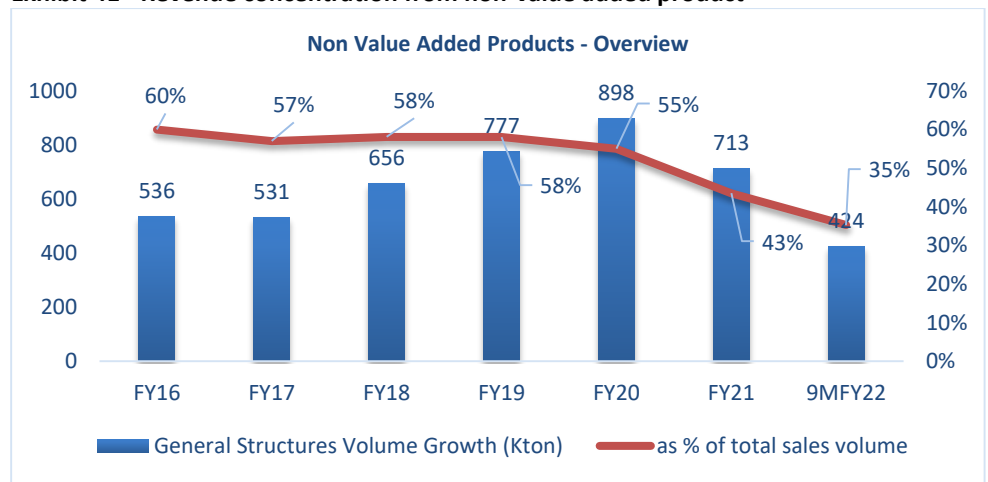
Source: Company & KJMC Research

Exhibit 40 - Revenue concentration from value added product (consolidated)



Source: Company & KJMC Research

Exhibit 41 - Revenue concentration from non-value added product



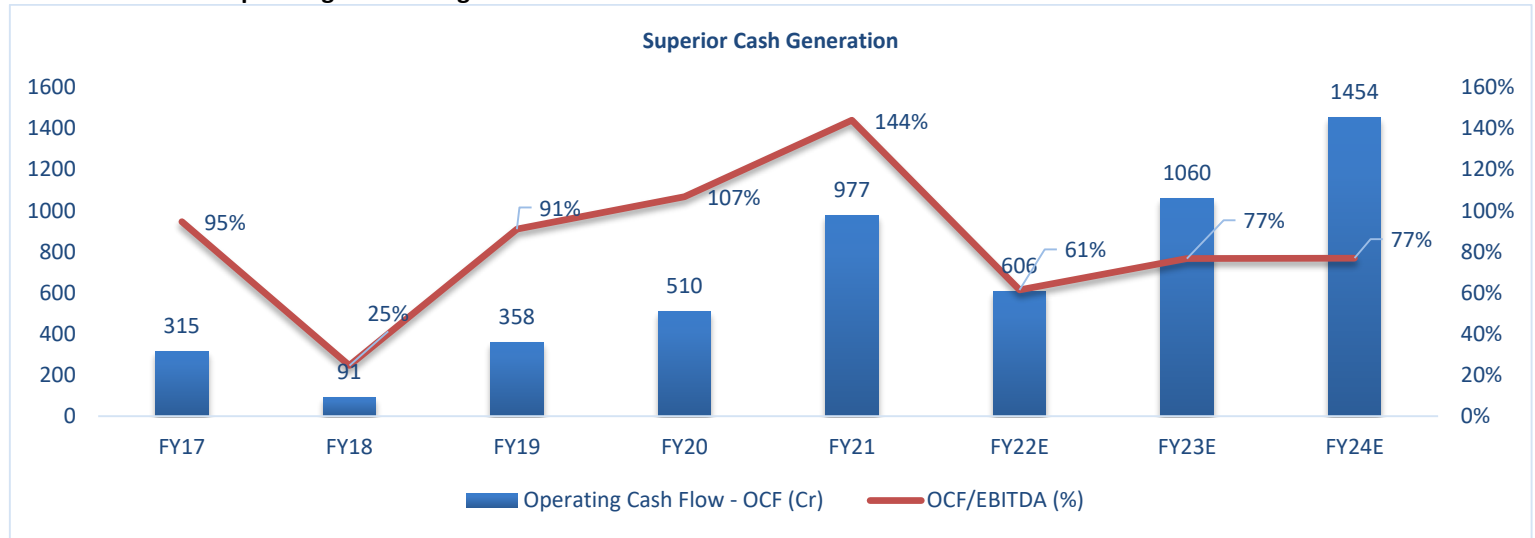
Source: Company & KJMC Research

Solid free cash flow generation lead by Superior Utilizations of Assets

The Company cash flow has expanded at a CAGR of ~44% in last 10 years. Mainly due to increase in contribution from value added products, strengthening margins, continue focus on the deleveraging balance sheet and changed the business model from credit to cash and carry which collapsed the working cycle to less than 10 days being the lowest in the building material sector. The Company has created enough capacity to meet its growth aspiration for the next coming years. Now the Company will likely focus on improving its Asset Turnover. With better sales volume guidance, improving margin from value added products, limited capex will spend in the future, well controlled working capital cycle and its ability to convert EBITDA into operating cash flow at a decent rate. We anticipate healthy free cash flow generation over FY21-FY24.

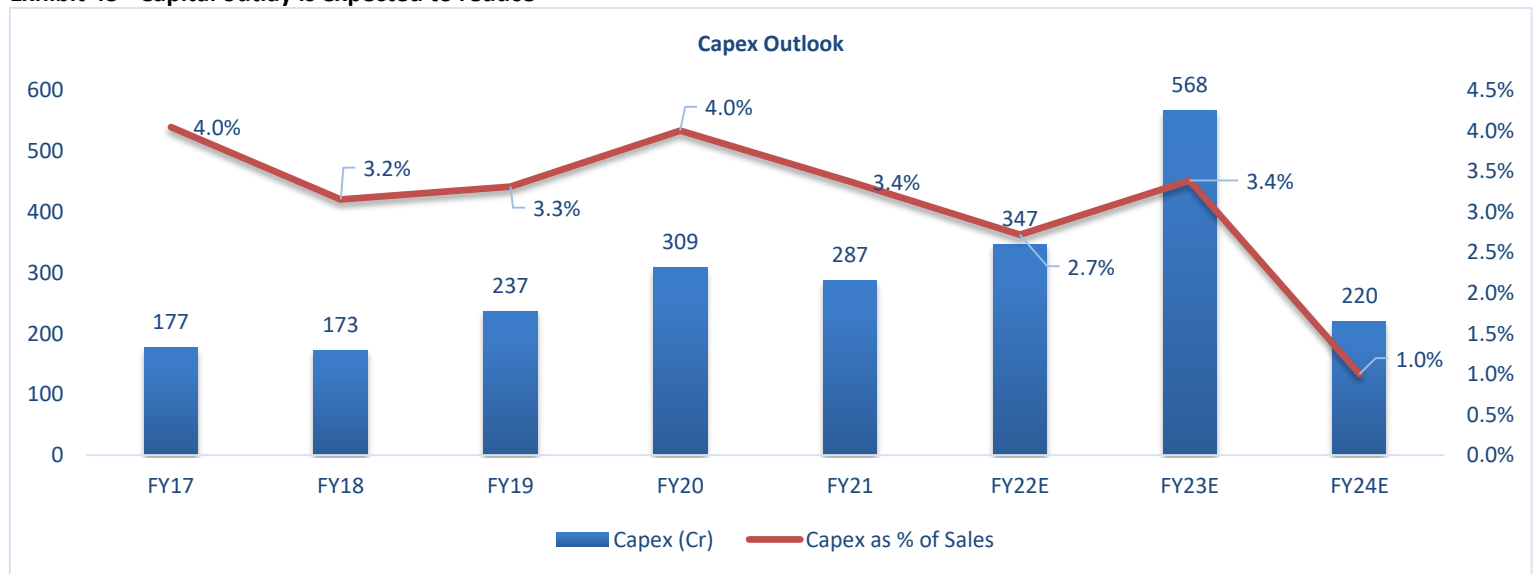
The Company's ability to convert EBITDA i.e. operating profits into operating cash flow has remained robust since last 3 years. It's operating cash flow to EBITDA remains more than 90%, which gives confidence for better cash/free cash flow generations. Once its Raipur capex gets finished by H1FY23 post which we can see solid free cash flow coming in.

Exhibit 42 - Robust Operating Cash Flow generation to continue



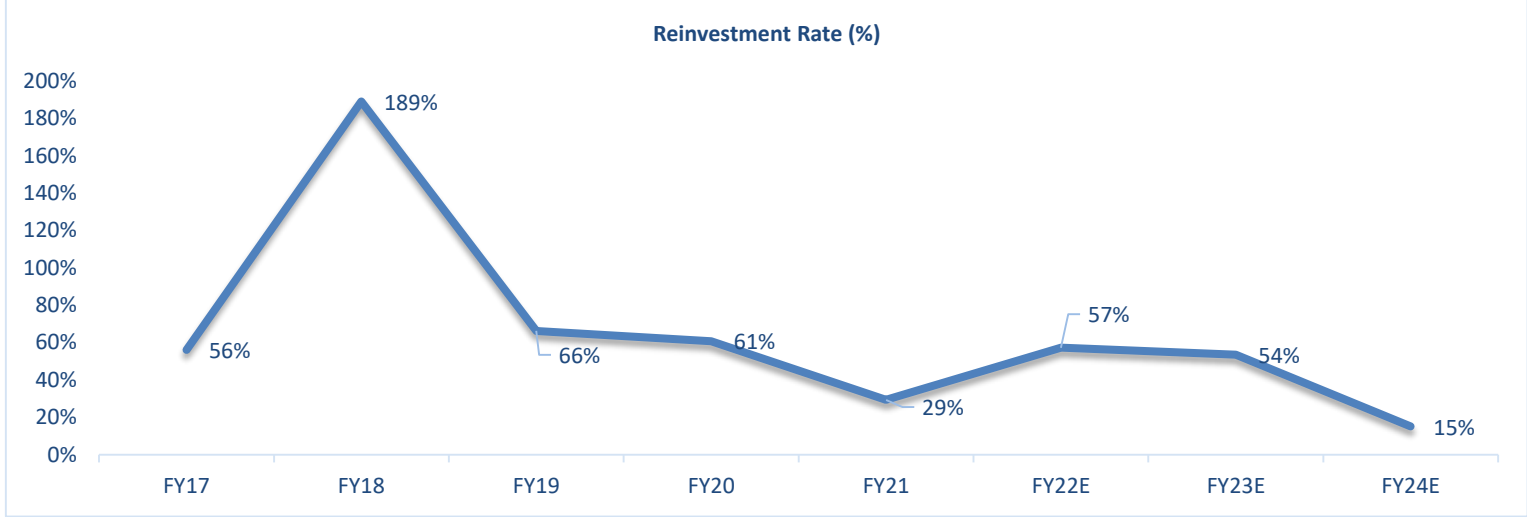
Source: Company & KJMC Research

Exhibit 43 - Capital outlay is expected to reduce



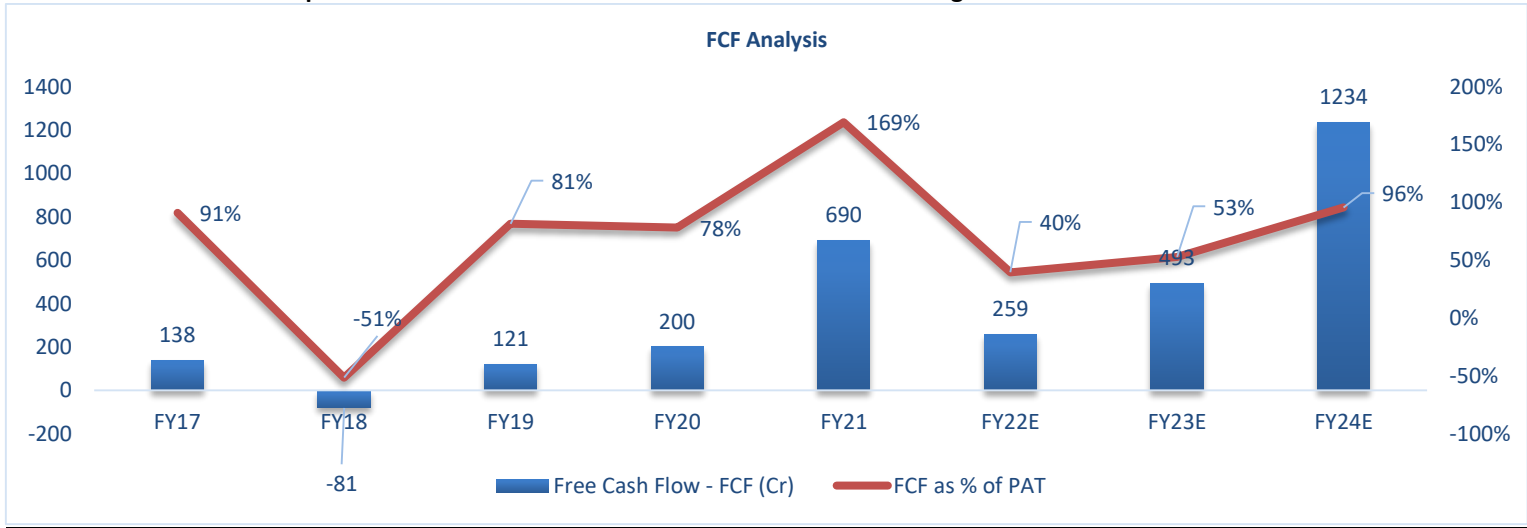
Source: Company & KJMC Research

Exhibit 44 - APL Apollo has track of the robust reinvestment rate, which leads to grow the business and continue generating cash flow ahead.



Source: Company & KJMC Research

Exhibit 45 - Reduction in capex and better utilizations will lead to solid free cash flow generation

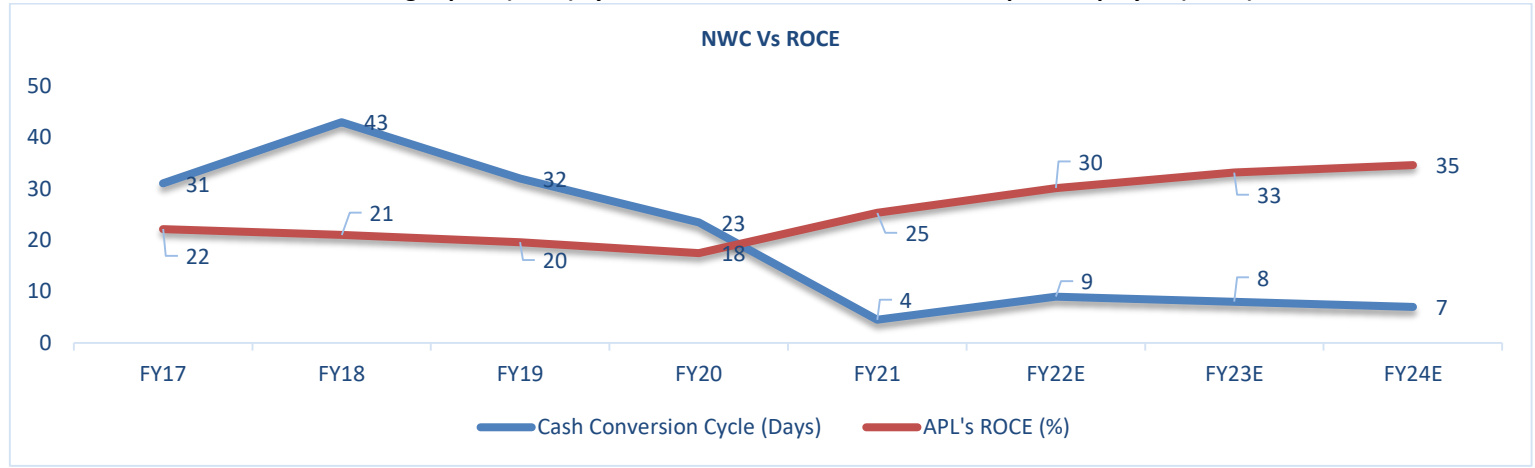


Source: Company & KJMC Research

Best in Class Capital allocation across the Industry

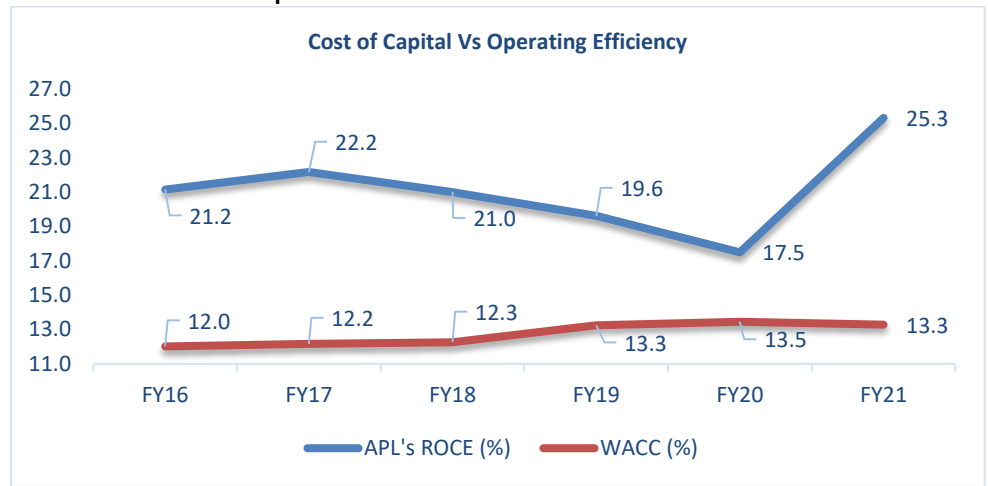
The Company's prudent capital allocation is evident in the steady ROCE growth to ~26% in FY21 from ~19% in FY11. With the new facility going on stream with focus on value added products, reducing net working capital cycle, deleveraging balance sheet will generate solid free cash flow. This will further boost Company's ROE and ROCE going ahead.

Exhibit 46 - Reduction in net working capital (NWC) cycle leads to increase in Return on Capital Employed (ROCE)



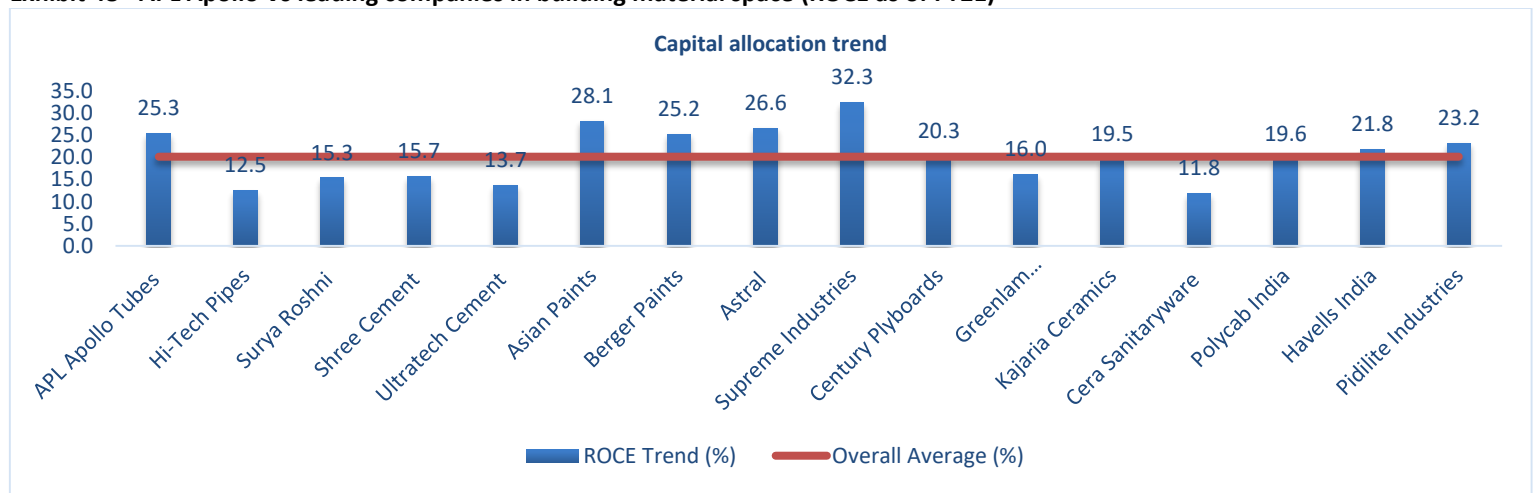
Source: Company & KJMC Research

Exhibit 47 - WACC Vs Capital allocation trend



Source: Company, Refinitiv & KJMC Research

Exhibit 48 - APL Apollo Vs leading companies in building material space (ROCE as of FY21)

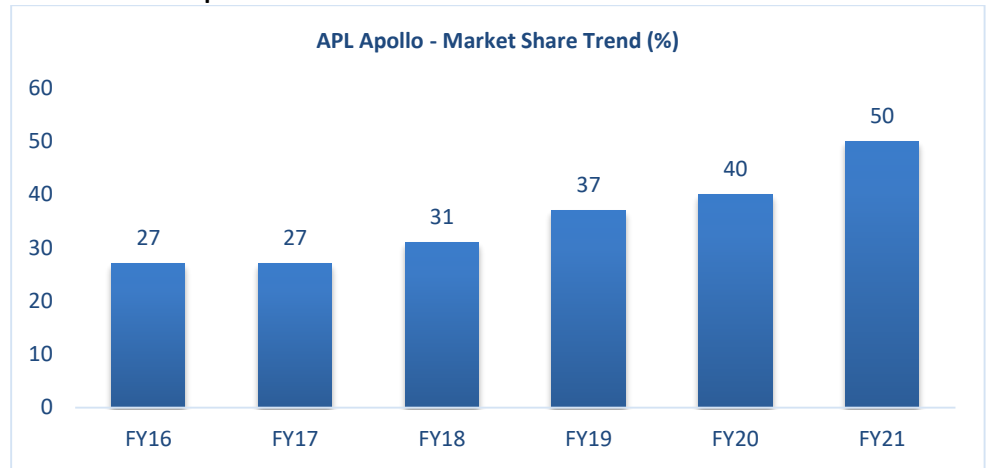


Source: Company, Refinitiv & KJMC Research

Enjoying Industry leading Market Share

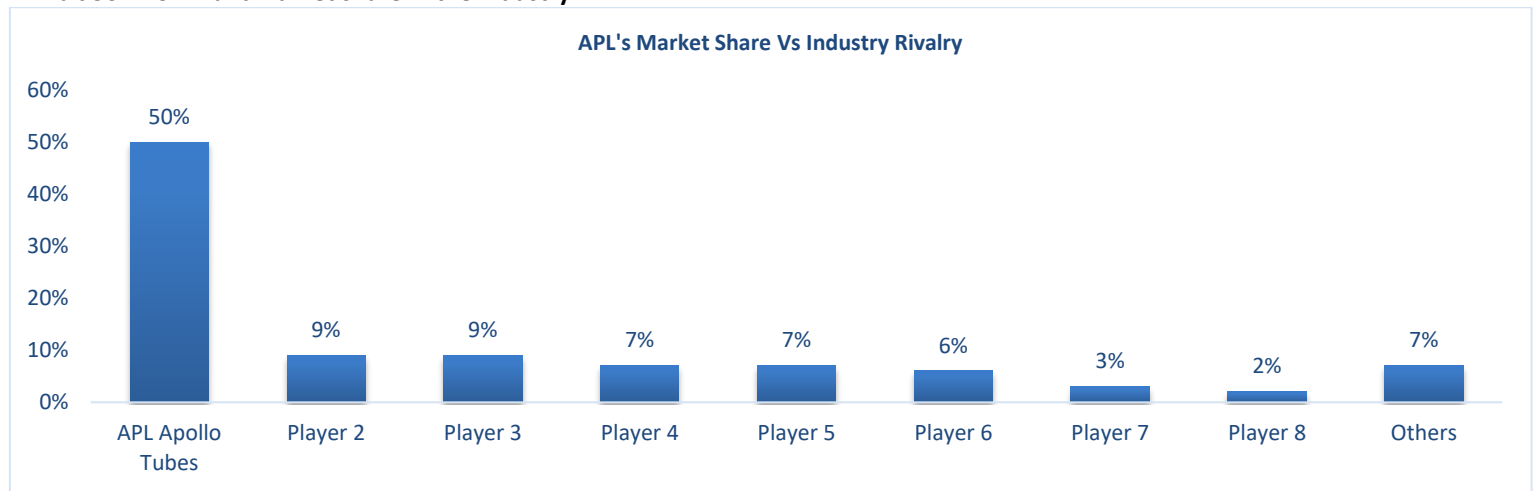
The Company has consolidated its dominant leadership in the structural steel category with a higher market share of 50%. APL has raised its market share with focused branding initiatives and entrenched presence. The Company is well known for bringing new age technology to the Indian shores which has helped them to grow the market as opposed to simply growing its market share. Further, with a robust capital outlay (Union budget at Rs 7.5 lakh Cr) in infrastructure and construction which can further trigger a strong demand for long steel products like tubes, bars and even sections, paving the way for structural steel to corner a wider market share ahead in the industry.

Exhibit 49 - APL Apollo market share trend



Source: Company & KJMC Research

Exhibit 50 - Dominant market share in the Industry

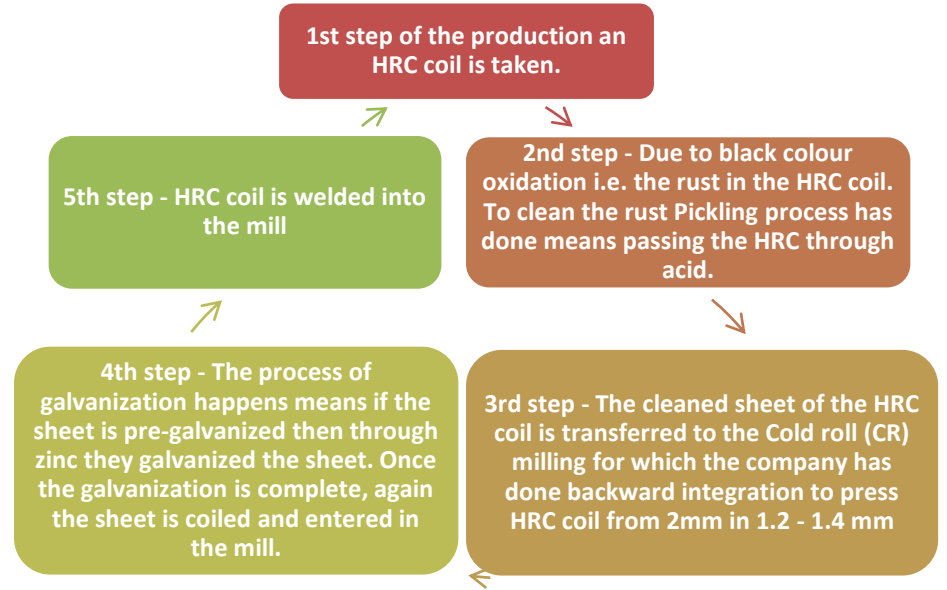


Source: Company & KJMC Research

Value Chain and Process Flow

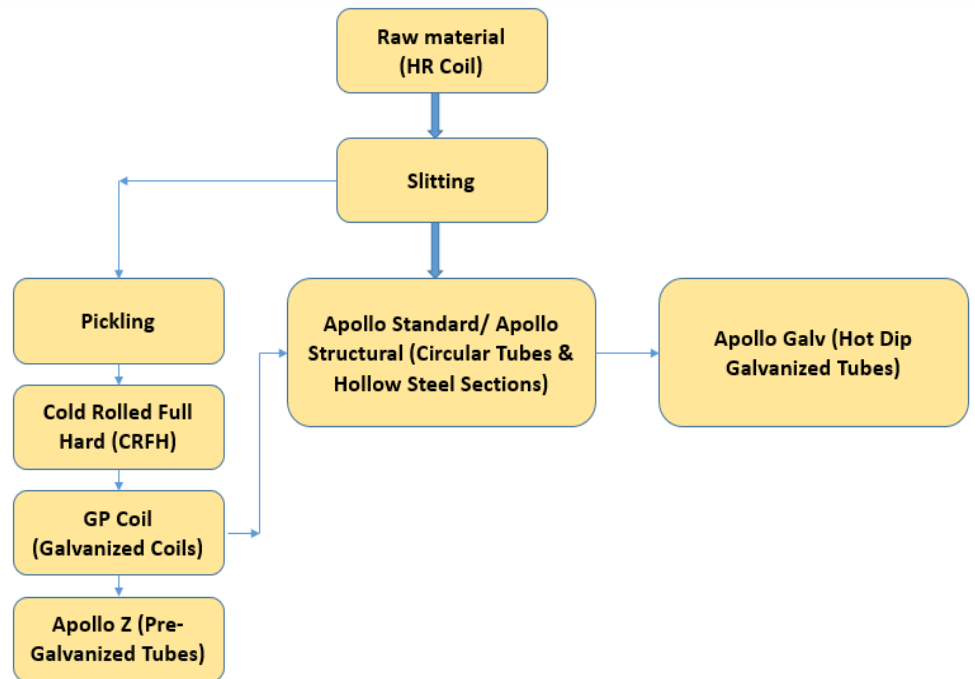
Exhibit 51 - Value Chain for Manufacturing/Production Process

The company buys hot rolled coils (HRC) by Tata Steel and Jindal. Since APL consumes 2% of entire Indian steel production and is the single largest buyer of steel in India. They get discounts of 2-3% on the purchase of HRC.



Source: Company & KJMC Research

Exhibit 52 - Process Flow



Source: Company & KJMC Research

Superior Brand Equity and Advertisement Landscape

Power of branding:

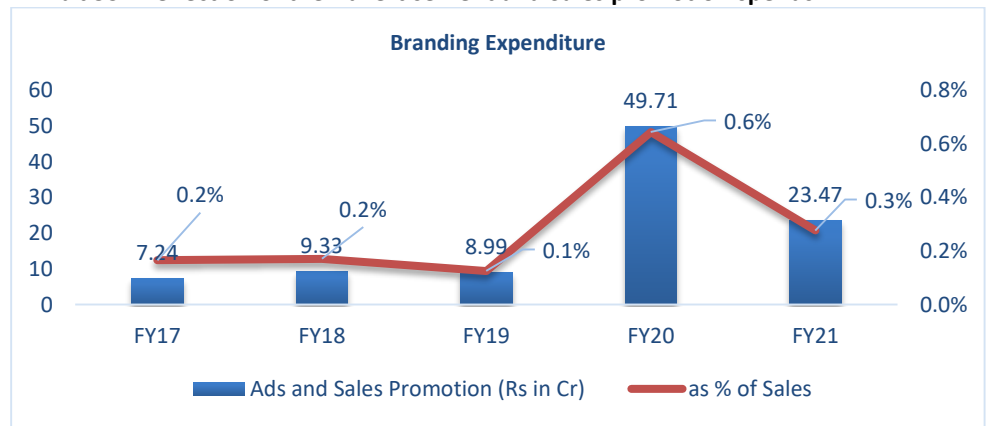
A survey covering 800+ dealers revealed that about 30% of their customer asked for the APL Apollo brand products.

Dealers generally do not leave the APL Apollo network because the company has demonstrated its ability to grow their business in multiple ways like – Sustaining investments in branding and advertisement campaigns and organizing meets with fabricators and architects – helps to generate volumes for dealers

APL Apollo brands stand for innovations and for setting new trends in the structural tube industry. Launching newer technologies and continuous innovations in existing as well as new products which has been the focal point at the APL Apollo. The Company's brand mission has been maintained and grown a commanding presence in the minds of customers and to deliver promised values consistently. APL Apollo enjoys a very strong recall owing to the company's intelligent branding strategy of investing in national level, mass – appeal sporting events. The brand investments are expected to intensify as the product segments and range expands.

- Recently, the Company has appointed another Bollywood celebrity Tiger Shroff as the brand ambassador to promote its product Apollo Column. The campaign has been quite successful with 5 million views on social media, which was launched on digital platform and at the same time the campaign was run on business new TV channels in the Q3FY22.
- APL Group also has Mr. Amitabh Bachchan as the brand ambassador for all its brands. That was the first time that a structural steel tube player has associated with a celebrity of this stature. This association, helped the company to spread its brand awareness of very extensive space.
- In 2018-19, APL Apollo became the principal sponsor of the Delhi team in the IPL 2019, India's biggest sports event with mass appeal and viewership. In 2019-20, the company followed up its initial success by becoming the principal sponsor of the Haryana Steelers in the 7th season of the Pro Kabaddi League. It also became the branding sponsor for the India versus West Indies cricket series.

Exhibit 53 - Reflection of the Advertisement and Sales promotion spends



Source: Company & KJMC Research

Exhibit 54 - Brand Equity landscape



Source: Company



Source: Company



Source: Company



APL Apollo understand the power of collaborative efforts that has resulted in the long term relationship of trust with its partners. The Company has come a long way in building a meaningful relationship with its fabricators. Its Fabricator meets are held at large scale across India. It has tie ups with around 200,000+ fabricators, Architects, Structural Engineers & developers.

Exhibit 55 - Fabricator Events Meets

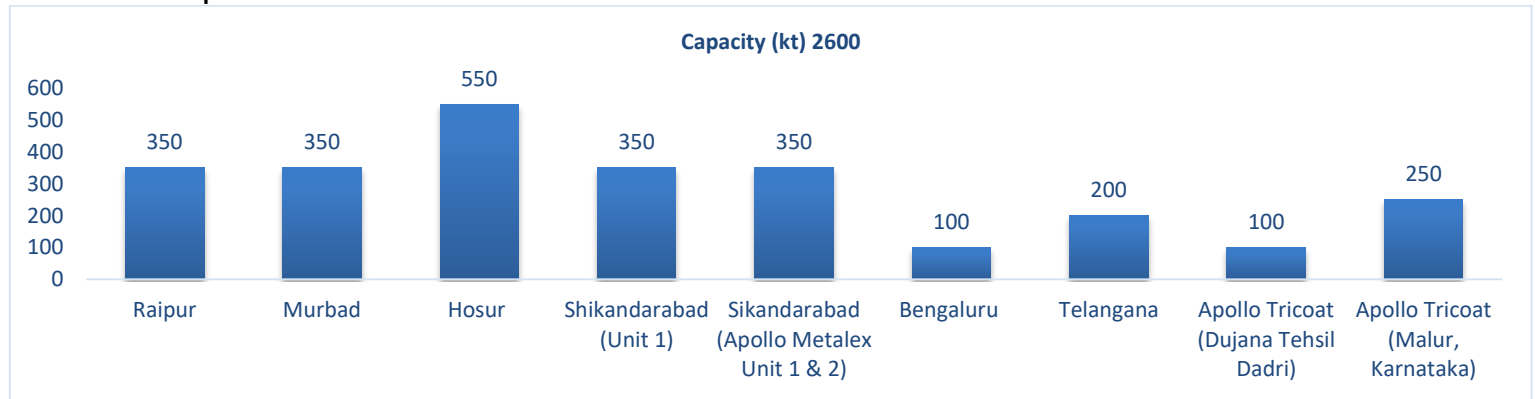


Source: Company

Economic of Scale

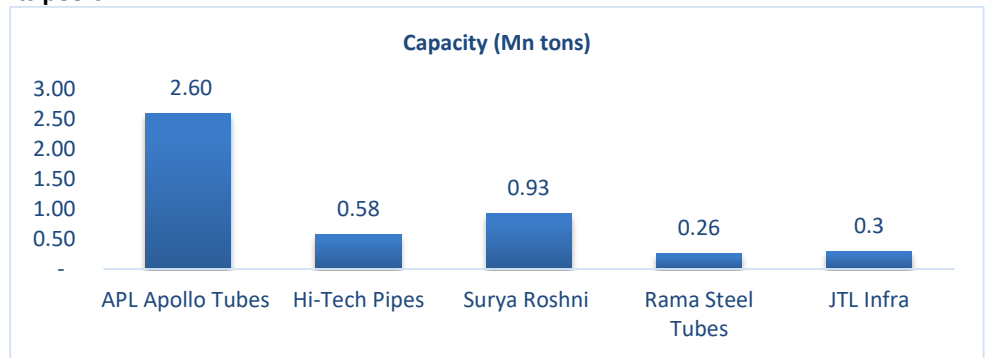
The Company continues to stay true with its commitment of delivering excellent products at a widespread presence. Today, it has presence in various geographies which enabled them to be more competitive by catering a wider range of customer segments and minimizing the transport cost at the same time. APL being the largest structural steel tubes manufacturer with a capacity of 2.6 Mn tons and having a pan – India presence is a winning combination, it serves as a ‘one –stop-shop’ for steel products catering to urban infrastructure, automobile, construction, housing, energy, irrigation, solar plants, and greenhouses. With better reach and its plants situated in North, West, South and Central India, which leads to significant savings in terms of logistics costs.

Exhibit 56 - APL Apollo – Pan India Presence



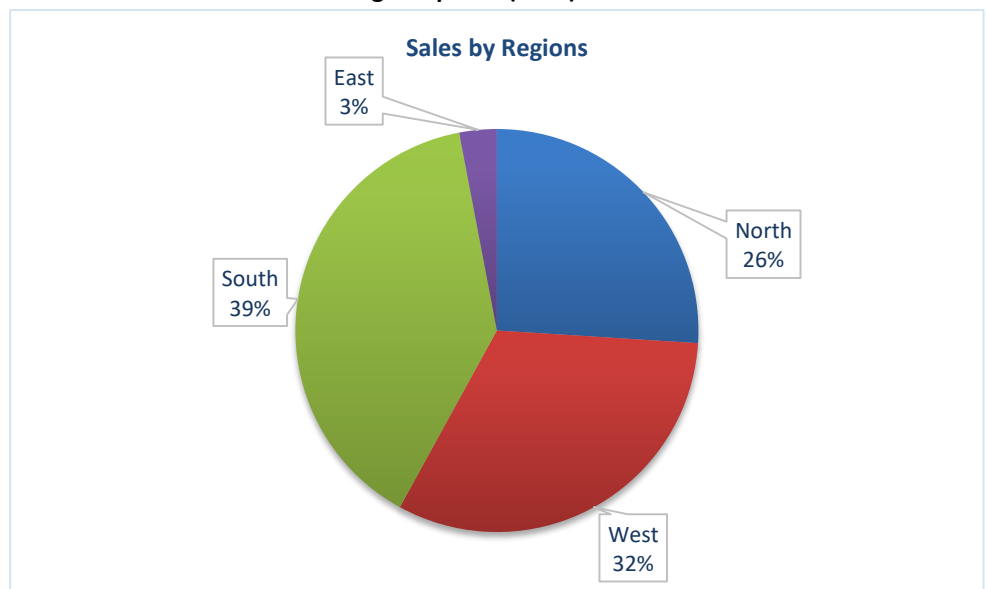
Source: Company & KJMC Research

Exhibit 57 - APL’s superior Pan India presence helps company to be much ahead of its peers



Source: Company & KJMC Research

Exhibit 58 - Revenue based on region spread (FY21)



Source: Company & KJMC Research

APL is only branded domestic steel tubes manufacturer with a pan India presence – 2.6 Mn tons capacity, which makes the company one of the largest players in the world.

The Company is creating capacity at its Raipur unit to establish a strong presence in East India. The new manufacturing facility at Raipur is being expanded in a phased manner which will enable the company to cater well in under-penetrated markets. The company is looking at add about 20% of its existing dealer strength in East India to establish a meaning full presence in this market.

Past Acquisition leads to strengthening capacity

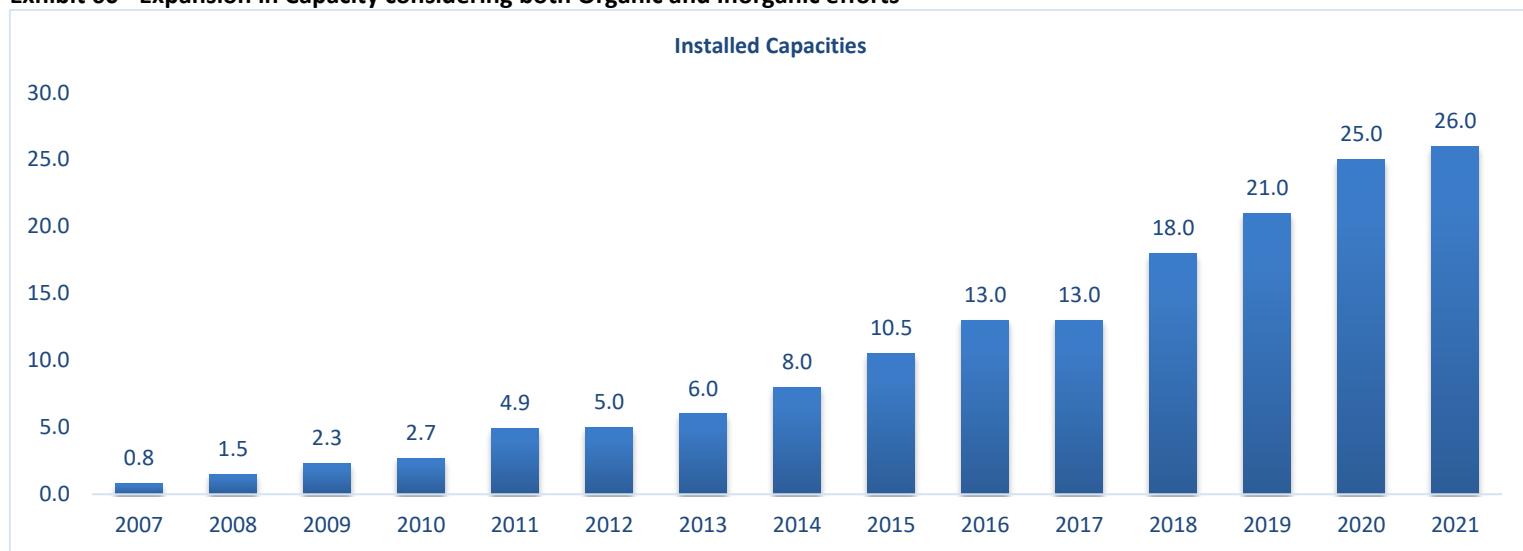
The Company has grown its capacity at 28.3% CAGR over the past 15 years, its capacity has expanded from 0.08 Mn tons in 2007 to 2.6 Mn tons in 2021. The expansion is counted on both i.e. through Organic and Inorganic routes. Considering the Inorganic growth, the company concluded the acquisition of a five companies named as – 1) Apollo Metallex, 2) Shri Lakshmi Metal Udyog, 3) Lloyds line pipe, 4) Taurus Value steel and 5) Apollo Tricoat. The following acquisition helps company to increase its presence and becoming Pan India player.

Exhibit 59 - Following acquisition done by APL Apollo to strengthening its roots

Target Entity	Manufacturing Unit	Year	Erstwhile capacity (MTPA)	Particulars
Apollo Metallex	Sikandrabad UP	2007	25,000	Coil galvanising facility, pre-galvanised tubes and pre-galvanised hollow sections
Shri Lakshmi Metal Udyog	Bengaluru, Karnataka	2008	50,000	ERW black, hot-dipped galvanised, pre-galvanised tubes and hollow sections
Lloyds Line Pipes	Murbad, Thane (Maharashtra)	2010	90,000	Enhance its presence in western India and strengthen export prospects in excess of the prevailing 35 countries. The acquisition enabled company access to ready to use manufacturing facilities and a new market.
Taurus Value Steel & Pipes	Hyderabad	2019	2,00,000	Improving APL Apollo's leadership position in the domestic and global markets.
Apollo Tricoat	Kolar Karnataka	2019	2,50,000	Enable the company to expand its product portfolio in the high-margin coated pipe segment

Source: Company & KJMC Research

Exhibit 60 - Expansion in Capacity considering both Organic and Inorganic efforts



Source: Company & KJMC Research

Key benefits related to the following acquisition

- **Apollo Metallex** – The Company had acquired Apollo Metallex (100% equity) as a backward integration initiative complemented by the single largest capacity of pre-galvanized pipes and tubes in northern India.
- **Shri Lakshmi Metal Udyog** – The Company acquired Shri Lakshmi Udyog (100% equity) extending manufacturing reach and facilitated entry into South India.

- **Lloyds Line Pipes** – The Company acquired Lloyds Line Pipes in Murbad, Maharashtra in 2010-11, besides the Hosur plant. The acquisition of Lloyds Line pipes will enhance its presence in Western India and strengthen the export prospects in excess of the prevailing 35 countries. The acquisition enabled us access to ready to use manufacturing facilities and a new market. The plant will reinforce APL capabilities comprising API- certified products up to 14 tubes.
- **Taurus Value Steel & Pipes** – The Company concluded the acquisition of a production unit in Hyderabad from Taurus Value Steel & Pipes, a subsidiary of Shankara Building Products. Includes manufacturing lines for GI pipes and GP pipes, which are APL Apollo’s high margin and value added product segments. This unit promises to strengthen the company’s presence in the large and value added South Indian markets.
- **Apollo TriCoat Tubes** – Through its wholly owned subsidiary Shri Lakshmi Metal Udyog Limited (SLMUL) acquired more than 50% stake in Apollo TriCoat. The acquisition will enable APL Apollo to expand its product portfolio in the high margin coated pipe segment and exploit synergies between the businesses of Shri Lakshmi Metal Udyog and Apollo TriCoat. The TriCoat products span three various – SureCoat, DuraCoat, and SuperCoat which are made through the latest Galvant technology. These In-Line Galvanizing (IGL) pipes and Hybrid pipes (PVC + GP) are eco-friendly and can be used as a substitute of PVC electrical Conduit Pipes. With the following acquisition, the company is confident that the TriCoat pipes will help create and capture a niche market segment and will address a huge latent demand in the long run.

Apollo DFT is manufactured using the latest Direct Forming technology where the square and rectangular section tubes are produced through welding at high production speed and without any roll change thus consuming much lesser time in production. This gives APL an advantage of Just – in – time (JIT) delivery of high quality material to its customers. DFT being introduced in India for the first time by APL Apollo. **A Revolutionary Italian technology in India.**

Core Competence – An Edge over Technology

In 2016-17, the Company introduced the cutting – edge Direct Forming Technology (DFT) into India, which enables it to customize products in a cost effective manner. DFT is far better than Conventional technology as it takes less time for production and saves costs. Let say – DFT which allows it to produce any customized size of Hollow Section, included in the mill range, without roll change. This leads to significant savings in steel utilized as raw material, this technology also helps in significant power savings and saving in time. With the following process, the company can lower the raw material consumption by between 2-10%. The Entire rolling procedure is automated & the same process takes 1-2 hours. Whereas, in the Conventional technology to switch from one size to another it takes somewhere between 8-2 days as the entire line has to be changed manually. The Company has invested ~Rs 250 Cr in DFT technology.

Exhibit 61 - Direct Forming Technology (DFT) – An Overview



Source: Company

Brand Personality

Light weight, strong and versatile Apollo DFT is ideal for applications across segments, be it residential, commercial, or infrastructure projects. The superior quality product comes with a customize size option to meet specific requirements.

Benefits of Direct Forming Technology (DFT) and how it will drive growth in the business for APL Apollo tubes

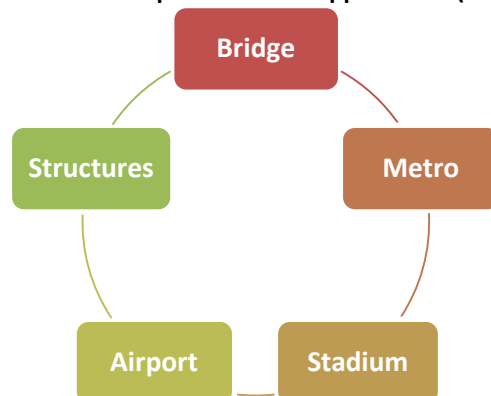
Direct Forming Technology (DFT) is the latest global technology for making Hollow sections of superior quality. The technology is being strongly preferred in the advanced global economies like US, Europe, South Korea and Japan. APL Apollo being a pioneer in instituting latest technologies has yet again introduced a new technology the DFT platform in India to address the growing demands of the Indian markets. DFT enables the formation of hollow sections of varying shapes, sizes and thickness, resulting in direct material savings. The new technology helps to reduce the rollover time and requires lesser storage space. DFT technology has opened an array of opportunities across various sectors of the Indian economy and management remains confident towards capitalizing on these industry trends ahead (*Company AR – 2017-18*).

Exhibit 62 - Apollo DFT



Source: Company & KJMC Research

Exhibit 63 - DFT in APL Apollo World – Applications (Uses)

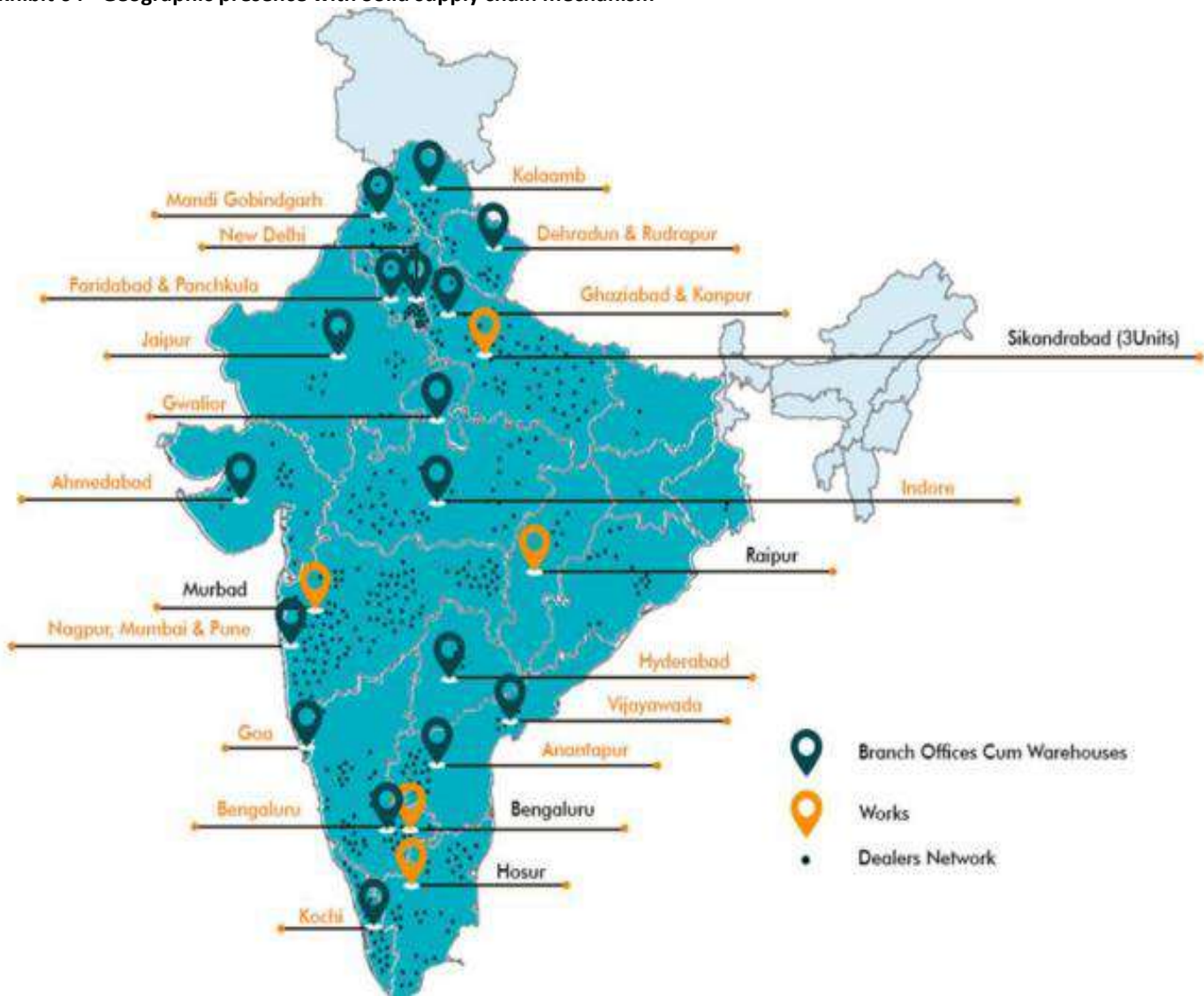


Extensive distribution reach gives APL a unique advantage

Wide distributors reach helps company to churn the capital more than 5x in a year, which helps them to generate high ROCE.

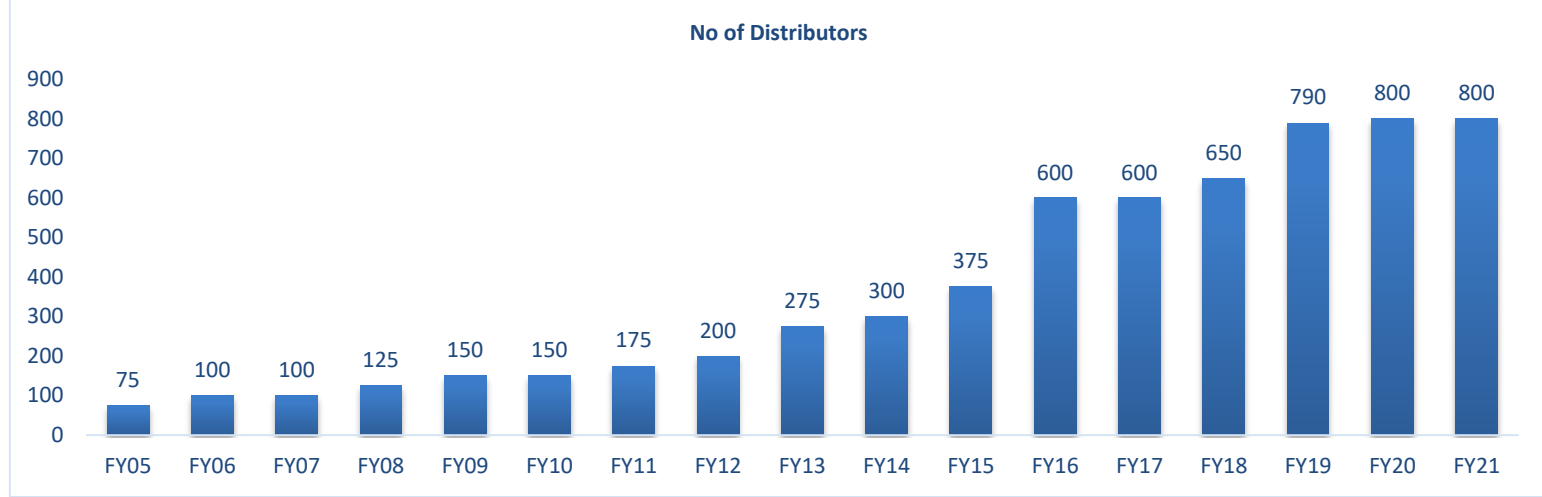
The Company's well balanced, nationwide footprint in India help them to serve its customers with speed and efficiency. APL has a vast distribution network access to 800+ distributors, 50,000 retailers and 200k fabricators. Over the years, APL Apollo has created a robust 3-tier distribution and supply chain. The Company focuses on nurturing, healthy relations with its distributor's network, which resulted its reflection in the rising sales volumes and the dominant market share in an increasingly competitive and dynamic marketplace. The Company has successfully created an increased customer base (is reflected in volume growth) and strong market foothold by ensuring that the products are easily and readily available through its robust distribution reaches. Currently, more than 75% of the sales requirements in around 300 towns and cities are met through 800+ distributors and 50,000 retailers located throughout the country. With its new capacity coming inn, the company can further strength, its distribution reach in East India to establish a meaningful presence in this market.

Exhibit 64 - Geographic presence with Solid supply chain mechanism



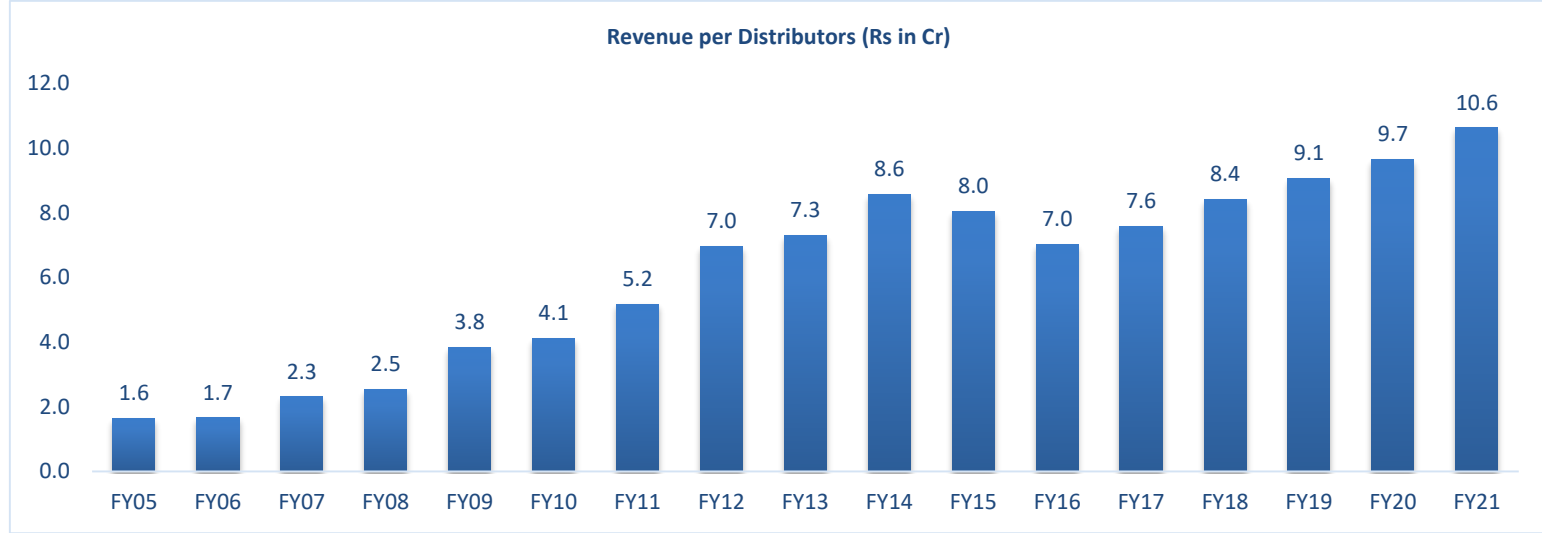
Source: Company

Exhibit 65 - Trend of the widest distribution networks, which bolstering its Pan India presence



Source: Company & KJMC Research

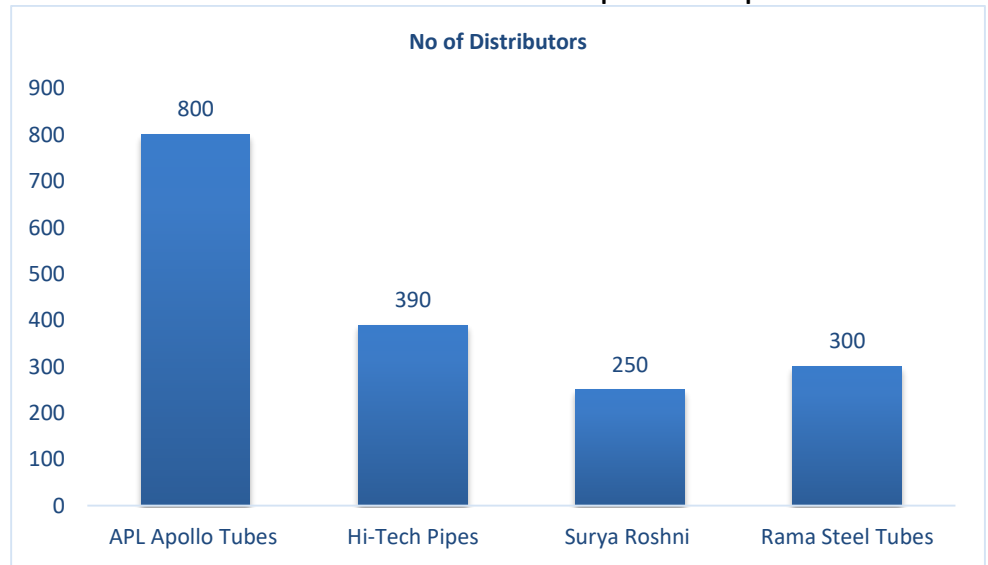
Exhibit 66 - With increase its distribution network APL has strengthened its productivity as well



Source: Company & KJMC Research

(Calculated on yearly figure)

Exhibit 67 - APL distribution reach is far ahead in comparison with peers

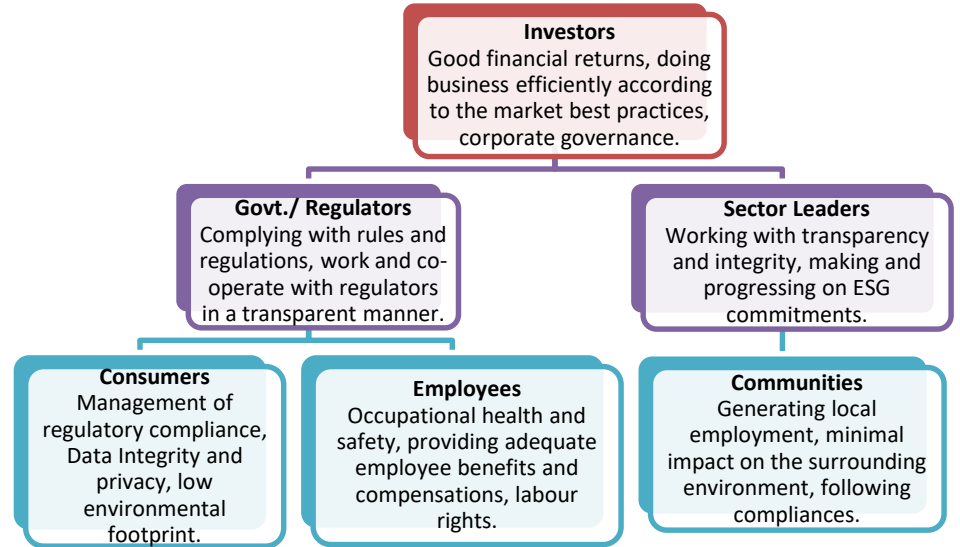


Source: Company & KJMC Research

Sustainability Strategy

The Company is heading towards becoming an ESG focused company. APL Apollo has undertaken an organization – wide (Environment, Social & Governance) evaluation in partnership with E&Y to create a roadmap that will make a business sustainable.

Exhibit 68 - Understanding ESG Drivers



Source: Company

Exhibit 69 - ESG Initiatives by APL Apollo



Source: Company

Exhibit 70 - Company's rankings in S&P Global CSA 2021

The Company has received a score of 25 and stands at the 56th percentile in industry rankings in its very first S&P Global Corporate Sustainability Assessment (CSA). The Company has begun its ESG journey and is on continuous improvement path for subsequent years.

Assessment Dimension	APL Apollo score (out of 100)	Percentile (Ranking)
Total ESG Score	25	56
Governance & Economic	32	57
Environmental	16	43
Social	26	59

Source: Company

Exhibit 71 - S&P Global score board for APL

Exhibit 72 - APL Apollo's Dimension Scores

S&P Global APL Apollo Tubes Limited

TICKER: 533756 Industry: STL Steel Country: Republic of India

ESG Score

25

Score History



Last Updated: November 12, 2021. Updated annually or in response to major developments.

Data Availability: ■ High

This company is a Corporate Sustainability Assessment (CSA) survey respondent. This company's ESG Score is based on its responses to the CSA and on information available in the public domain.

Environmental



Social

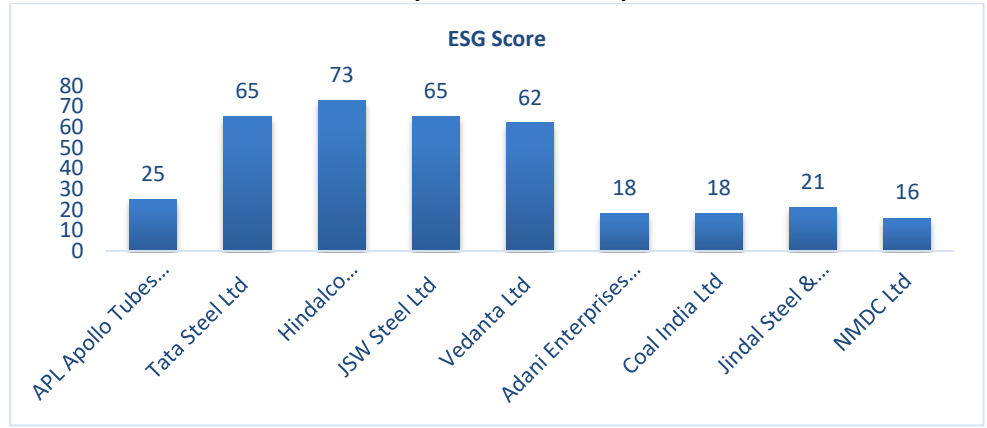


Governance & Economic



Source: S&P Global Sustainable

Exhibit 73 - ESG Scores trend for Nifty Metal Index Companies



Source: S&P Global Sustainable

The management is committed to work even harder now to achieve its FY2025 ESG goals and to improve its ESG Score ahead in comparison with other metal companies.

Exhibit 74 - ESG Performance Indicators & Targets by APL Apollo

RESPONSIBLE BUSINESS	PERFORMANCE INDICATORS	TARGETS	
	Corporate Governance		
	Number of cases in violation of code of conduct	Zero cases of violation of code of conduct	
	Average training hours per employee on Code of Conduct	Yearly training on Code of Conduct for all employees	
RESPONSIBLE OPERATIONS	PERFORMANCE INDICATORS	TARGETS	
	Energy Management		
	Number of units used from renewable energy sources (solar, wind)	All plants to have access to renewable energy by 2025	
	Water & Effluent		
	Number of sites where Rainwater Water Harvesting facility have been installed	Rainwater harvesting to be installed at all units by 2025	
	Number of sites where Zero Liquid Discharge (ZLD) facilities have been installed	All units to be ZLD facilities by 2025	
	Emissions		
GHG Emissions (Scope 3)	Start monitoring Scope 3 emissions by 2022		
Air Emissions	Maintain SOx, NOx and PM within permissible limits		
Environmental Compliance Management			
	Number of cases in violation of environment regulations	Zero incidents of non-compliance	
RESPONSIBLE EMPLOYMENT	PERFORMANCE INDICATORS	TARGETS	
	Health & Safety		
	Last time Injuries	Achieving Zero Incident and Zero Harm by 2025	
	Average training hours per employee to site employees on health and safety	Provide 4 hours of safety training (per site employee) to site employees	
	Average training hours per employee to corporate employees on health and safety	Provide 2 hours of safety training (per employee) to corporate employees	
	Labour Relations and Human Rights		
	Regulatory compliance of labour laws	100% compliance to all labour legal requirements	
	Average training hours per employee on human rights	Provide 1 hours of training per employee on human rights	
	Employee attrition	Maintain attrition rate below 5%	
	Training and Education		
Average trainings hours per employee on behavioral and technical aspects	Provide 4 hours of training to permanent employees		
Diversity and Equal Opportunity			
Female to Male Ratio in permanent employee	Female workforce to be increase by 1% in the permanent employee category by 2025		
RESPONSIBILITY TOWARDS COMMUNITIES	PERFORMANCE INDICATORS	TARGETS	
	Energy Management		
	Number of units used from renewable energy sources	All plants to have access to renewable energy by 2025	

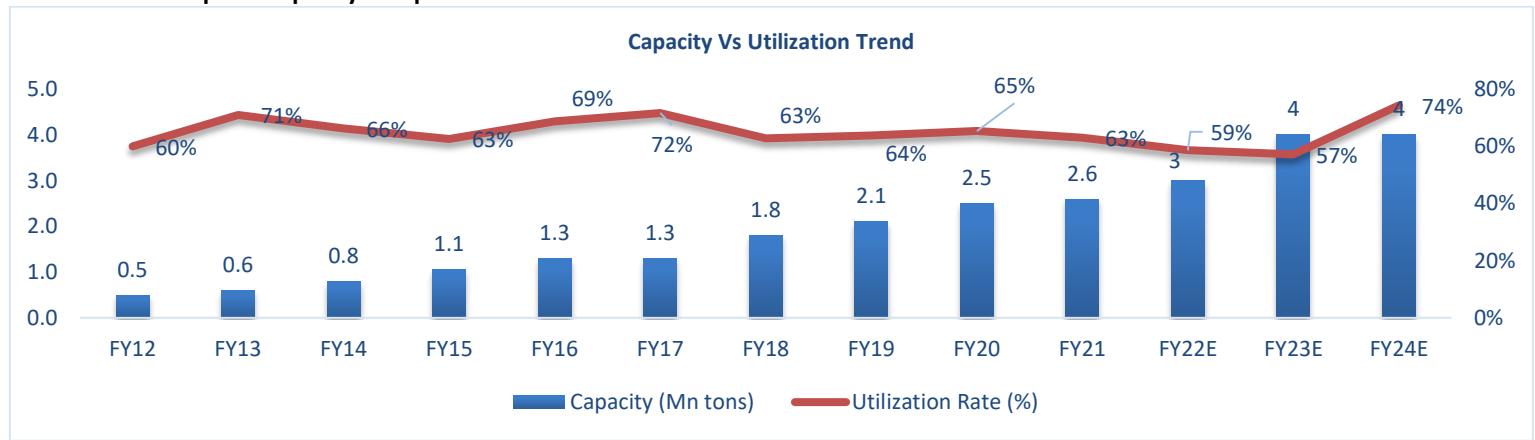
Source: Company

Consolidated Overview

Historically, the Company has created tremendous wealth for the shareholders. The Company is the largest and most innovative producer of structural steel and pipes in India and one of the largest players in the world. While being the low cost producer in the country as it buys ~2% of Indian steel consumption and 10% Indian HR coil consumption, this enables them to get a discount of close to 2% of their purchase. The company has pan India presence with plants situated in North, South East and West, which enables them to significant savings in terms of logistics cost. Over the years, APL has passionately created a product basket (with more than 1500+ SKUs) that caters to multiple high growth sectors such as 1) Residential Buildings & Independent homes, 2) Commercial Buildings, 3) Warehouses, 4) Factories, 5) Infrastructure and 6) Industrial & Agriculture, etc. APL have become a leader in its structural steel tube industry, which commands 50% market share, it has consolidated the market with huge capacity of 2.6 million tons, superior pricing power, wide distribution reach, less competition in many products, strong balance sheet in comparison with peers, etc. Now the company is aiming to be big in terms of capacity and margins. Its 11th greenfield plant in Raipur, which is going to be the largest manufacturing facility for the group expected to become partial operational from H1FY23 with incremental 1.5 million tons capacity, which can eventually take its sales mix to 75% in favor of value added products resulting in sustaining EBITDA more than Rs 5000 per tons in the long run.

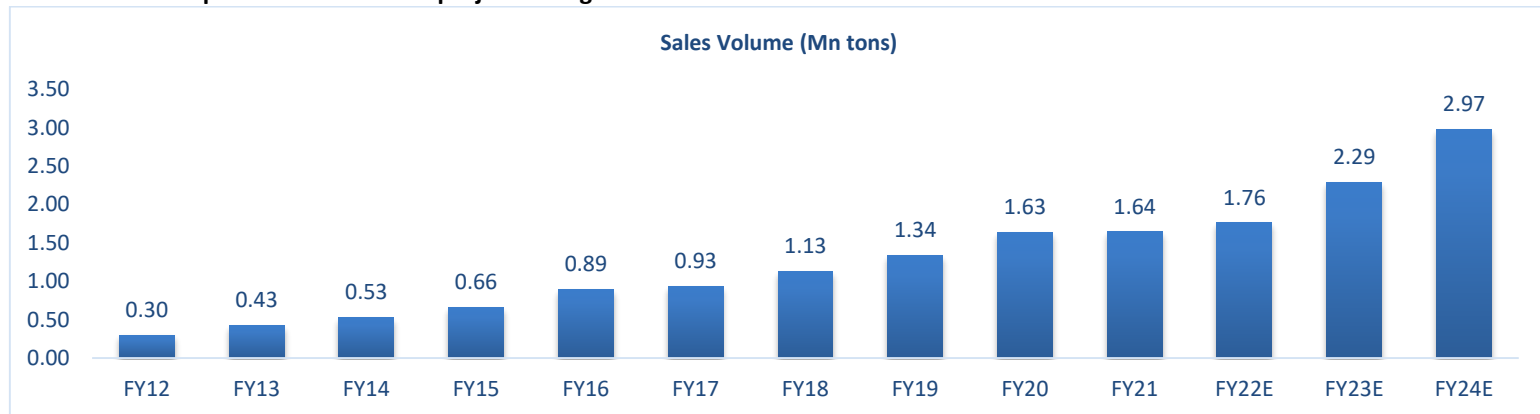
In the last 10 years period, the Company's sales volumes grew at a CAGR of 20.7%, revenue grew by 22.2%, EBITDA by 21.7% and profitability by 26.5%. We anticipate the similar trend to continue by enhancing its capacity, strengthening its margins and launching new products, especially in high diameters tubes under heavy structural tube segment.

Exhibit 75 - APL Apollo Capacity is expected to be almost double with above utilizations rate



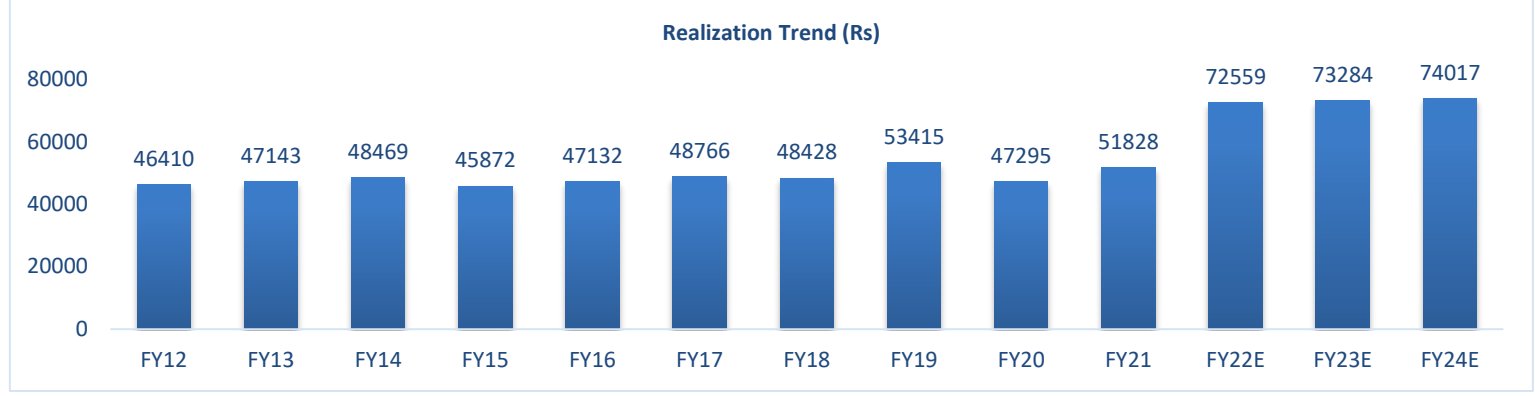
Source: Company & KJMC Research

Exhibit 76 - APL Apollo sales volume is projected to grow at a ~22% CAGR between FY21-FY24E



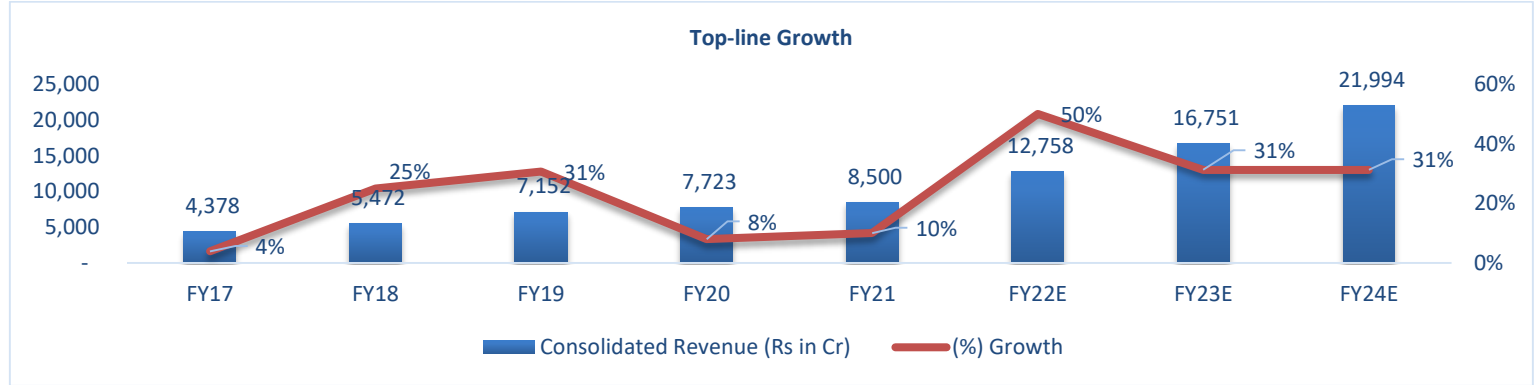
Source: Company & KJMC Research

Exhibit 77 - Improving net selling realization with better product mix and backward integration process



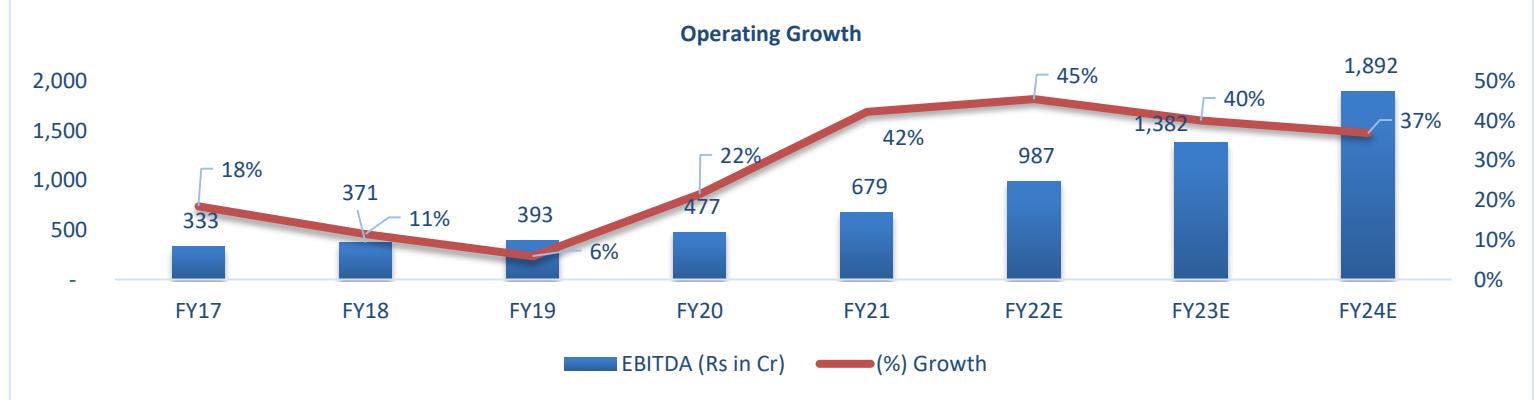
Source: Company & KJMC Research

Exhibit 78 - Company's Top-line is projected to grow at a ~38% CAGR between FY21-FY24E



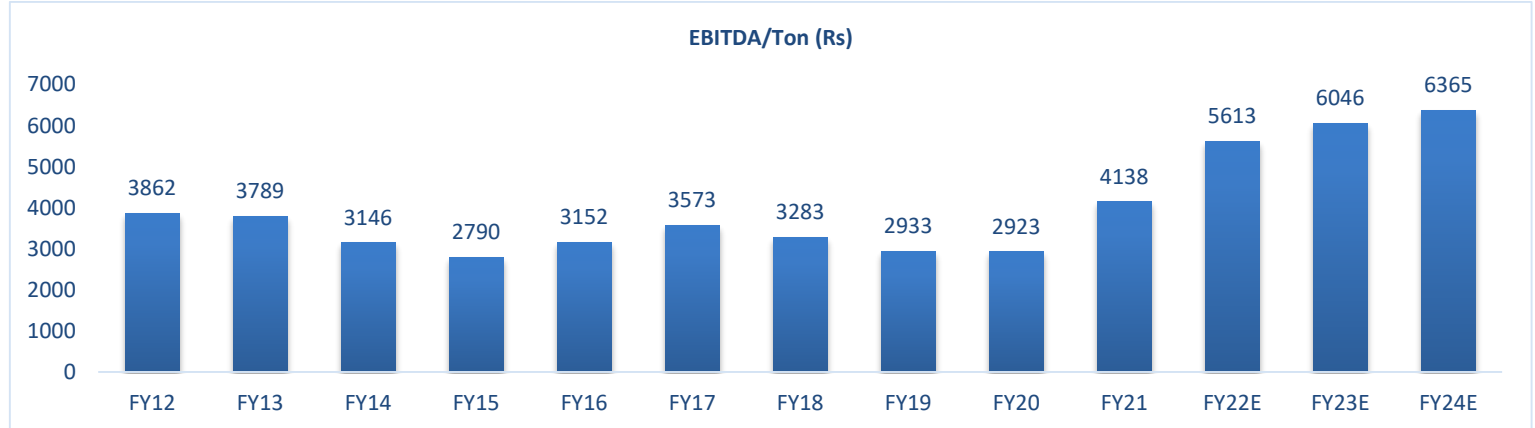
Source: Company & KJMC Research

Exhibit 79 - Company's EBITDA is projected to grow at a ~40% CAGR between FY21-FY24E



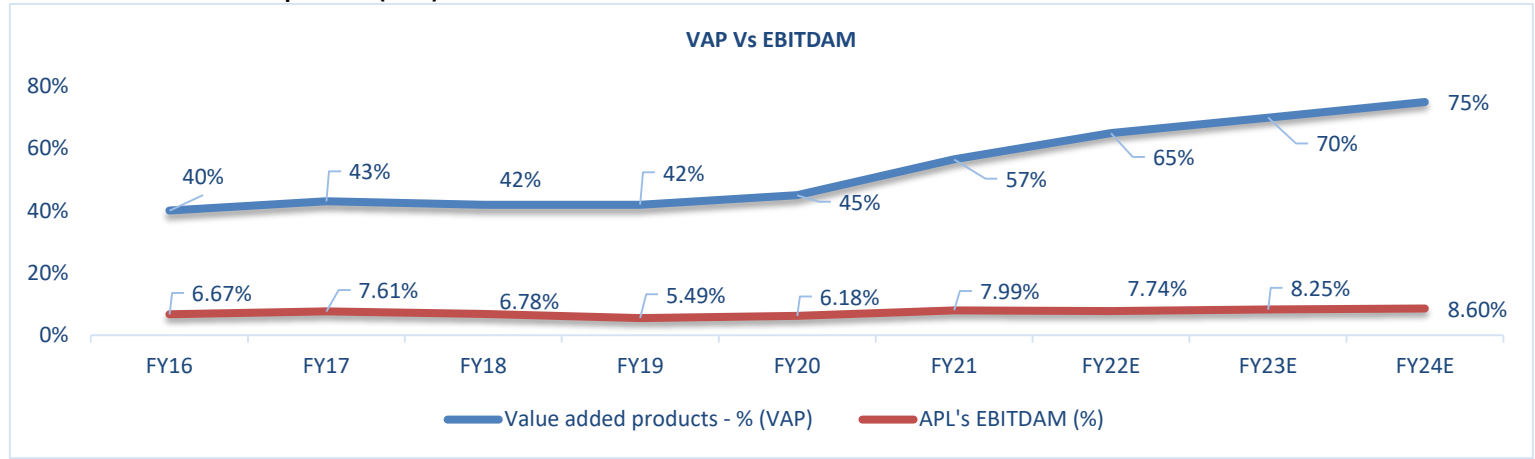
Source: Company & KJMC Research

Exhibit 80 - Company's EBITDA per tonne set to improve with double digit volume growth and increase in value added product pool



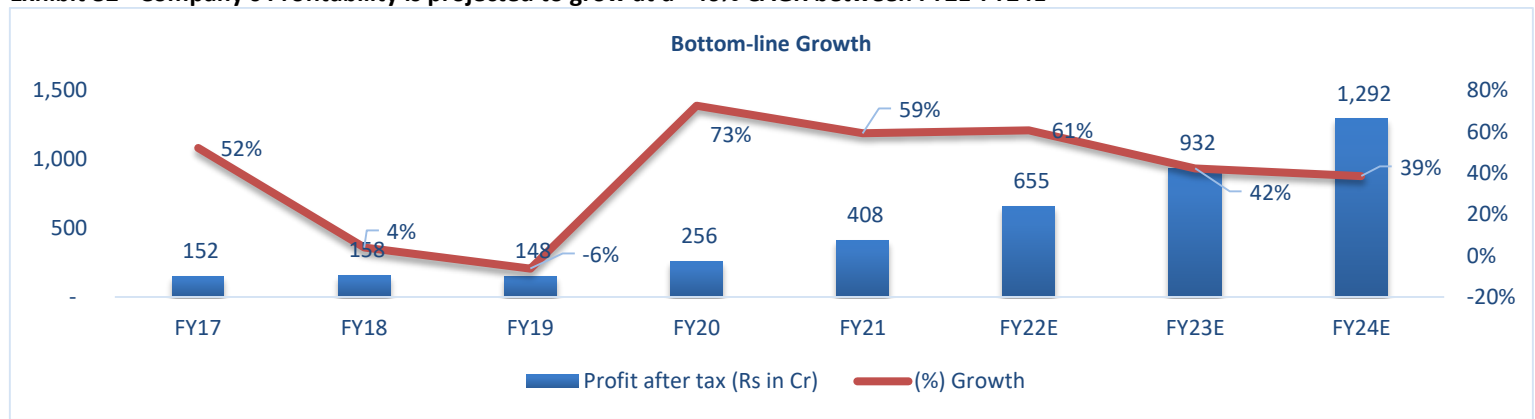
Source: Company & KJMC Research

Exhibit 81 - Value added product (VAP) Vs EBITDAM trend



Source: Company & KJMC Research

Exhibit 82 - Company's Profitability is projected to grow at a ~46% CAGR between FY21-FY24E

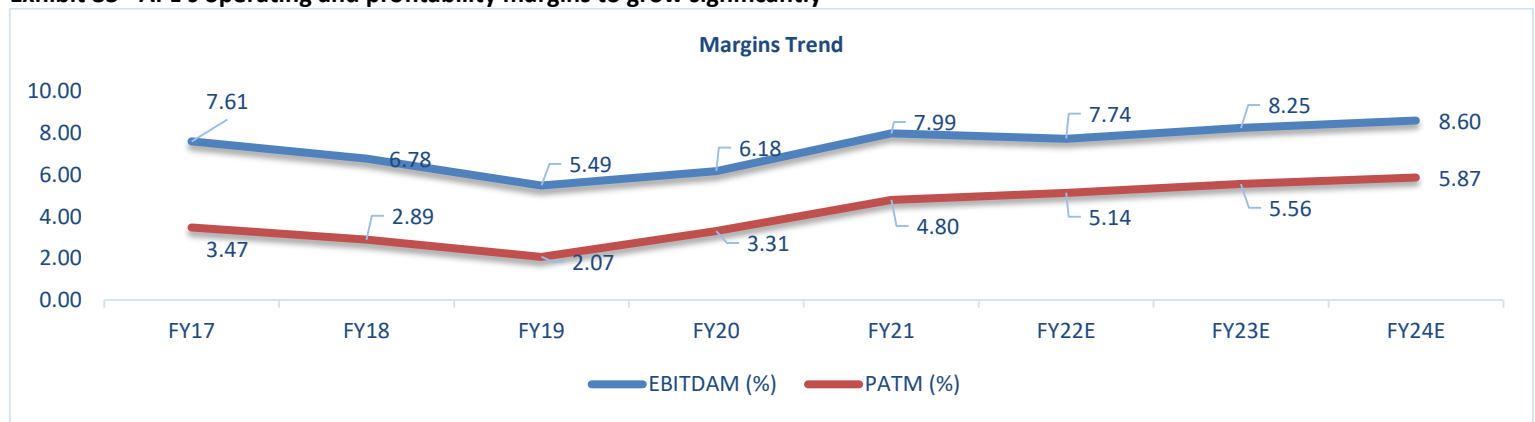


Source: Company & KJMC Research

Margins Landscape

We expect EBITDA and PAT margins to grow at a rapid space on the back of cost efficiencies, focus on backward integration and improving net selling realizations as its value added portion keeps improving and focus on selling higher diameters products which will keep the margins scenario above the level. The expansion of the operating and profit margins will also beef up by the acquisition of Apollo Tricoat's which will strength the APL's home décor segment as its offer innovative products that replace conventional items.

Exhibit 83 - APL's operating and profitability margins to grow significantly

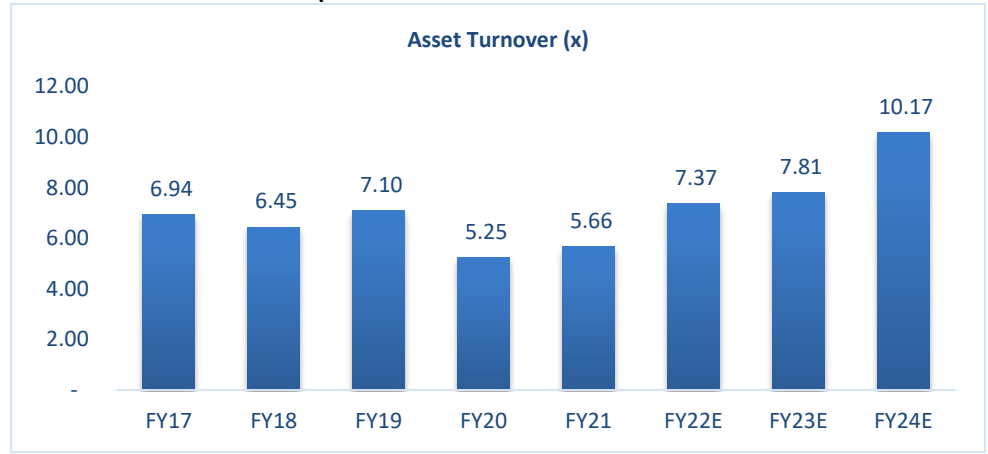


Source: Company & KJMC Research

Sweating its assets for better optimization

Over the past few years the Company has created ample capacity to meet its any demand for the next 2-3 years. Now the focus will be totally on utilizations its assets. Increase in asset turn will enhance the return ratios and accelerated the Cash flow/Free cash flow generations ahead.

Exhibit 84 - Asset turn to improve ahead

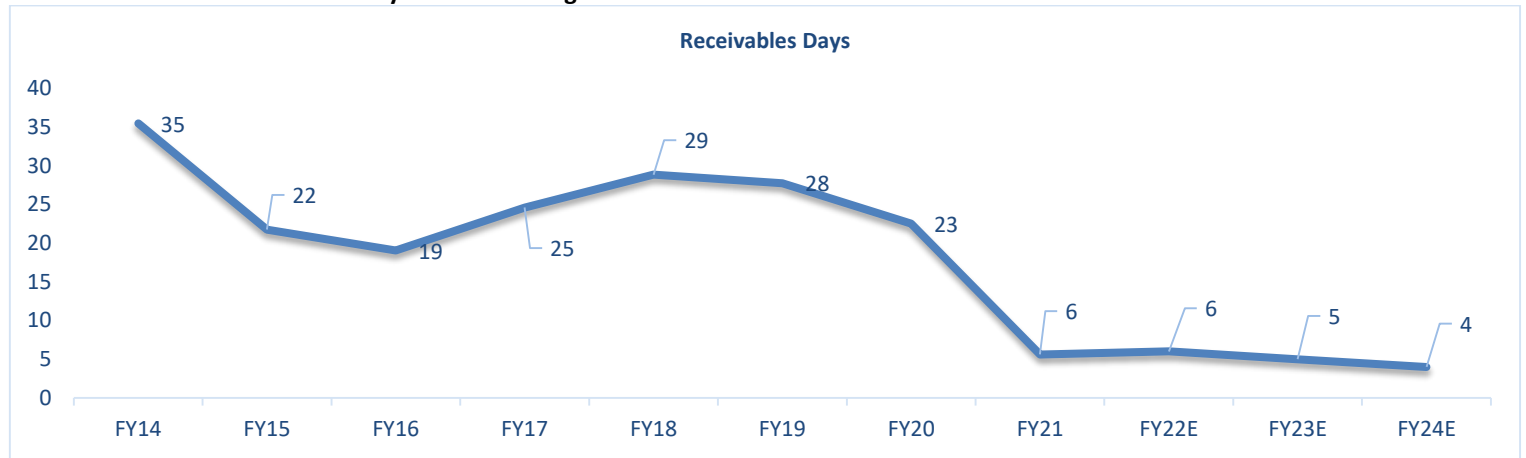


Source: Company & KJMC Research

Efficient working capital management

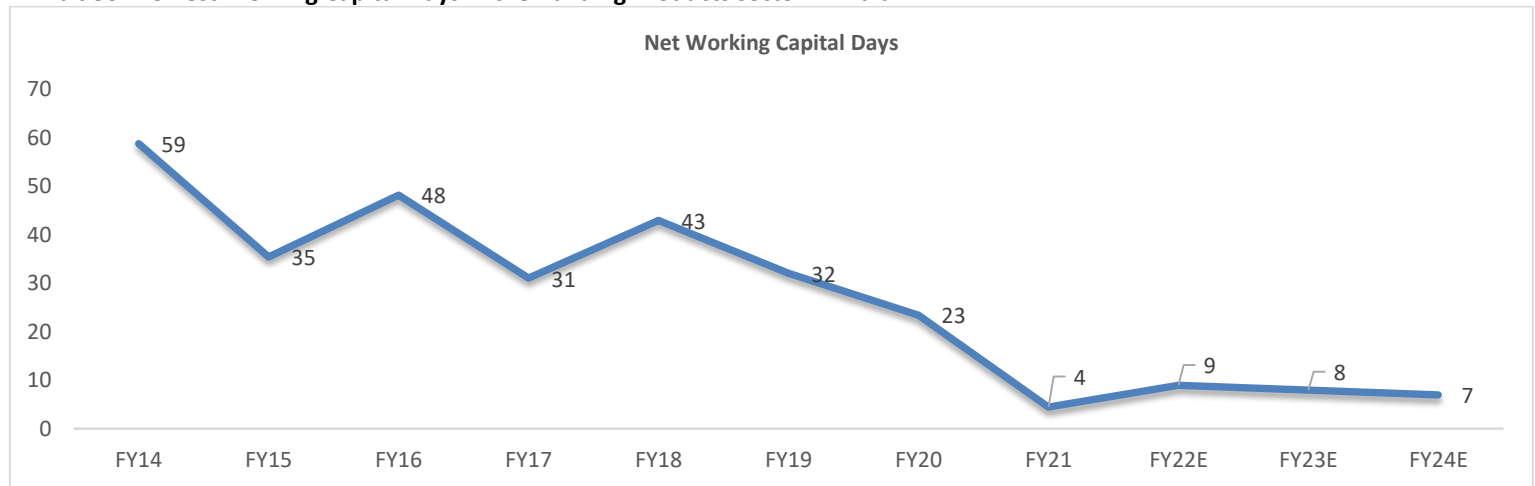
Post the pandemic – mandated lockdowns, the company shifted its sales policy from sales on credit to its dealers to a Cash and Carry model. This practice has resulted lower receivable days to 6 days in FY21 from 23 days in FY20. Which has helped the company to reduce its net working capital cycle from about 23 days in FY20 to ~4 days in FY21. Changed the business model from credit to cash and carry, collapsed the working cycle to less than 10 days, which is also the lowest in the building product sector. Increase in turnover and change in sales policy have played a key role.

Exhibit 85 - Lowest Receivables days in the Building Products sector in India



Source: Company & KJMC Research

Exhibit 86 - Lowest Working Capital Days in the Building Products sector in India

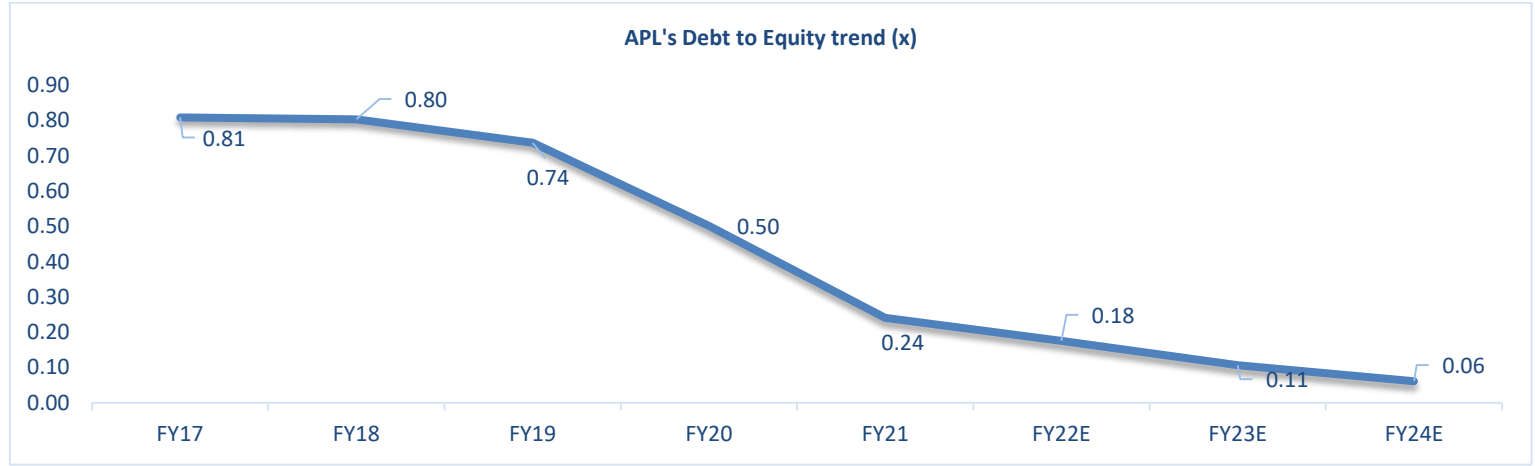


Source: Company & KJMC Research

Aims to be debt free on the cards

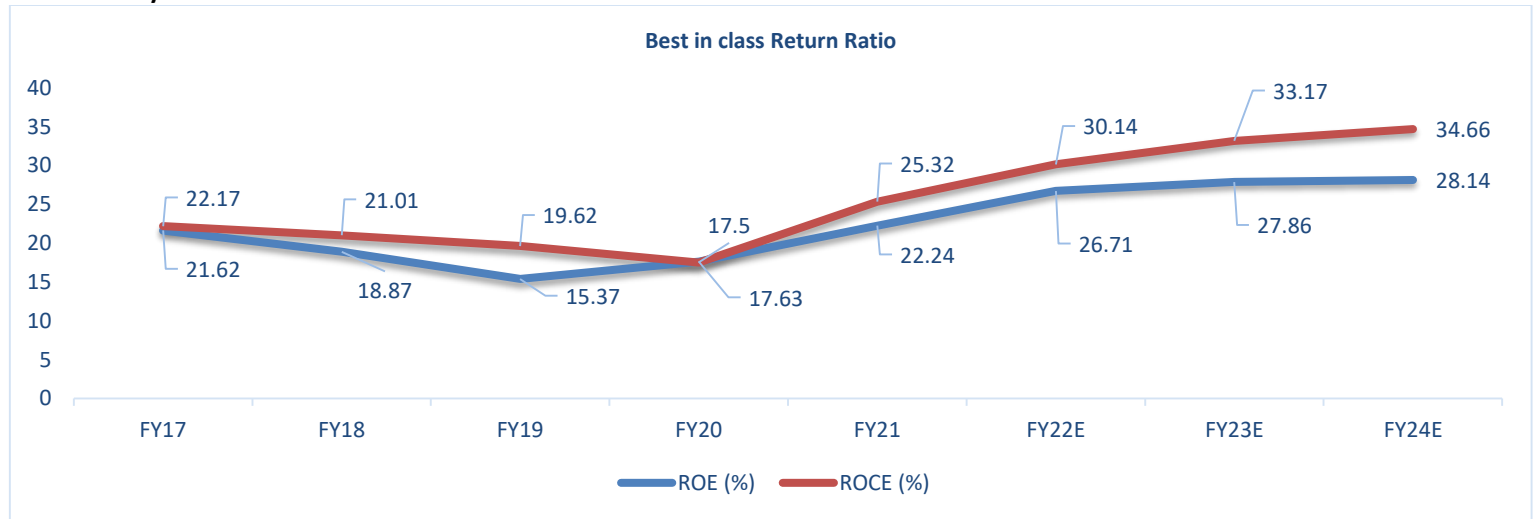
Growing volumes with increasing shares in the value added pool, shifting sales policy from sales on credit to its dealers to a Cash and Carry model. Resulted in improving working capital cycle further by reducing the receivables has improved cash flow generation of the company. The company is in the final stage of commissioning its Raipur plant which will be partially operational from H1FY23. The company has already infused around 50% of the total budgeted capex of Rs 8 billion and the rest Rs 4 billion would be spent over the next two to three quarters which will be funded from internal cash flow. Once the capex gets over by ~H1FY23, the debt level will come down and management has guided to come debt free in the near term.

Exhibit 87 - Focus on reduction in leverage



Source: Company & KJMC Research

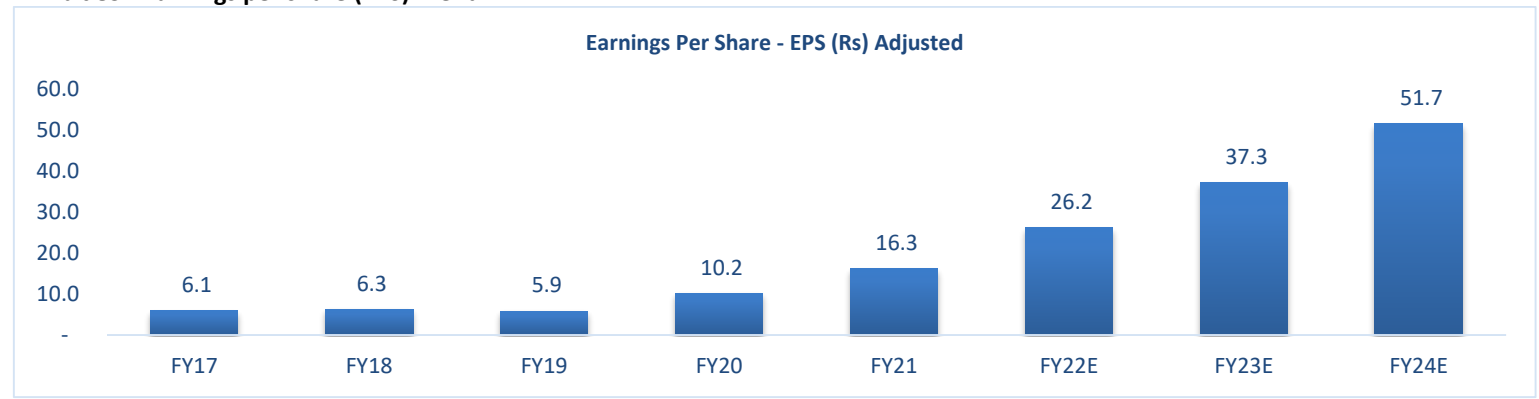
Exhibit 88 - Deleveraging balance sheet, improving EBITDAM, healthy profitability, better utilization of assets, and reduction in cash conversion cycle to escalate the return ratios ahead



Source: Company & KJMC Research

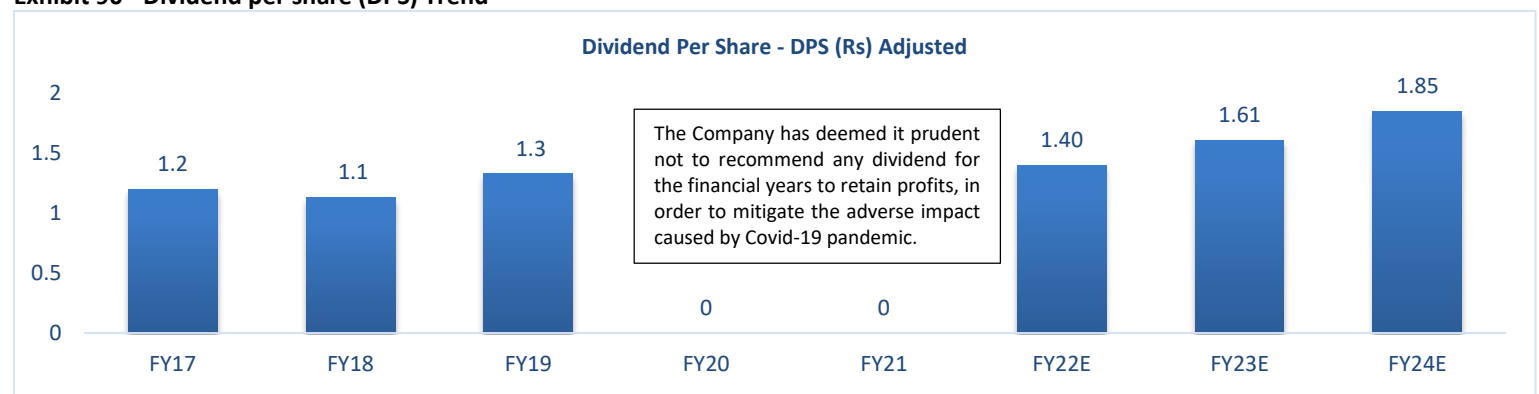
Per share scenario for APL Apollo remains healthier throughout the periods

Exhibit 89 - Earnings per share (EPS) Trend



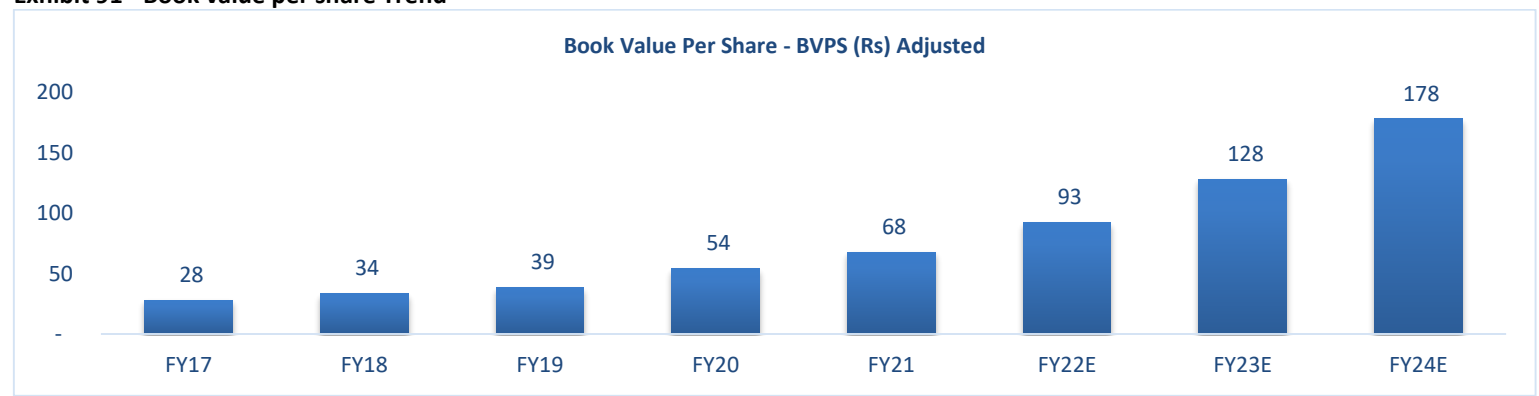
Source: Company & KJMC Research

Exhibit 90 - Dividend per share (DPS) Trend



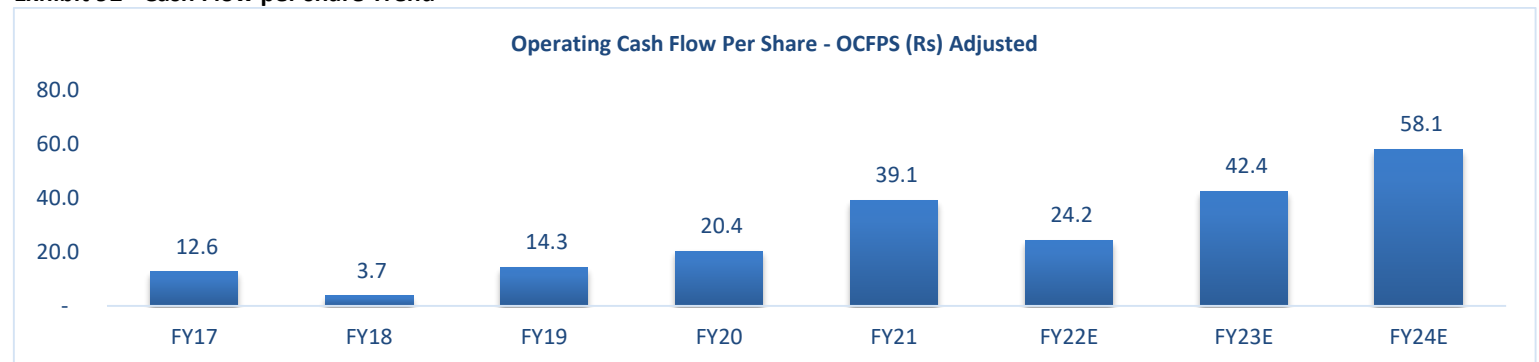
Source: Company & KJMC Research

Exhibit 91 - Book value per share Trend



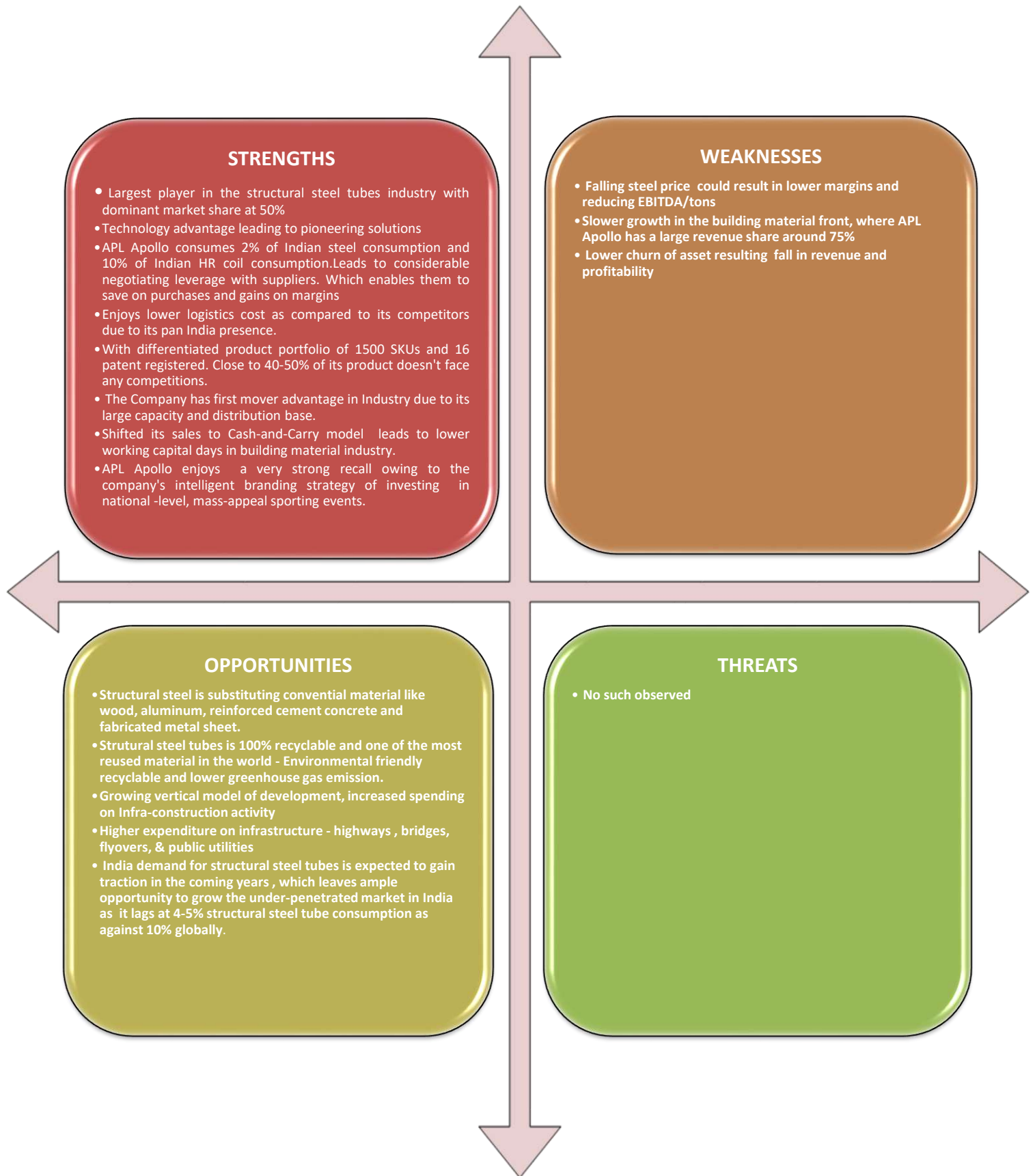
Source: Company & KJMC Research

Exhibit 92 - Cash Flow per share Trend



Source: Company & KJMC Research

SWOT Analysis



Source: Company & KJMC Research

Comparison between Structural steel tube pipe and Plastic piping players.

APL Apollo Tubes and Astral – two giants in the space ship with different verticals

APL Apollo is India's leading structural steel tube manufacturer. Headquartered at Delhi NCR, the company operates 10 facilities with a total capacity of 2.6 million tons. It has a pan - India presence its multi-product offerings include over 1500+ varieties for multiple building material structural steel applications.

Astral Ltd is one of India's leading manufacturers of Chlorinated Poly Vinyl Chloride (CPVC) and Poly Vinyl Chloride (PVC) plumbing systems, for residential, commercial and industrial applications. The company has six integrated world class manufacturing facilities dedicated for pipes across the country with a total production capacity of around 250k MTPA.

Source: Company & KJMC Research

Sectoral Consolidated – In recent times, several smaller players in the pipes sector have been impacted by Covid-19 pandemic, volatility in the commodity price, liquidity crisis etc. which led them to close their operations or lose market share. It has been observed that the market share of top player has increased due to shutdown of operations by the smaller or unorganized players, creating opportunity for sectoral consolidation, which will benefit the larger players like APL Apollo and even Astral Ltd in their respective space of operations.

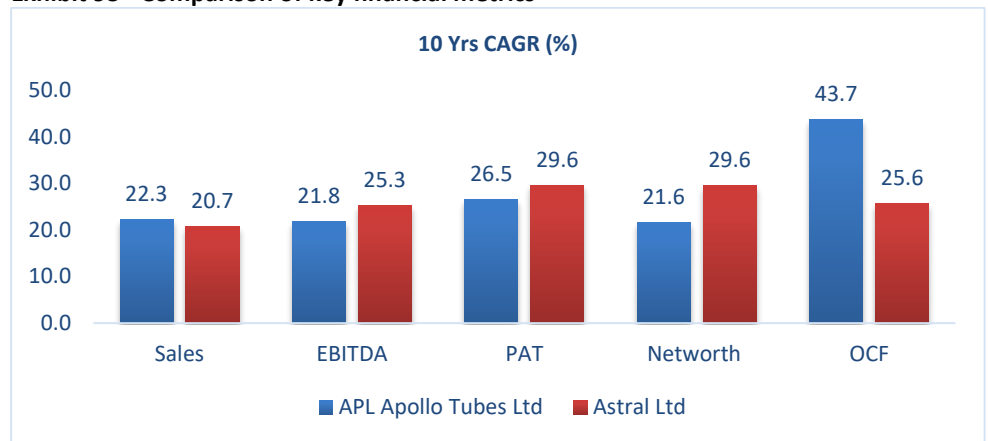
Union Budget 2022 – The capital expenditures increased by 35.4% to Rs 7.50 lakh Cr (US\$ 100.26 billion) in 2022-23, up from Rs 5.54 lakh Cr (US\$ 70.05 billion) this fiscal year. The sharp increase in the capital expenditure, particularly focused on infrastructure (Rail, Road, Housing etc). The huge capex outlay seen as a major boost for infra related companies which may boost their volume ahead. Earlier the sector was impacted with increased Covid-19 cases, which has resulted a temporary inactivity in construction and development regions. This slacked the volume growth and force management to reduce their guidance.

Capex outlay structure (Rs in lakh Cr)

- FY23 – Rs 7.5
- FY22 – Rs 5.5
- FY21 – Rs 4.4
- FY20 – Rs 3.4
- FY19 - Rs 3.1
- FY18 – Rs 2.6

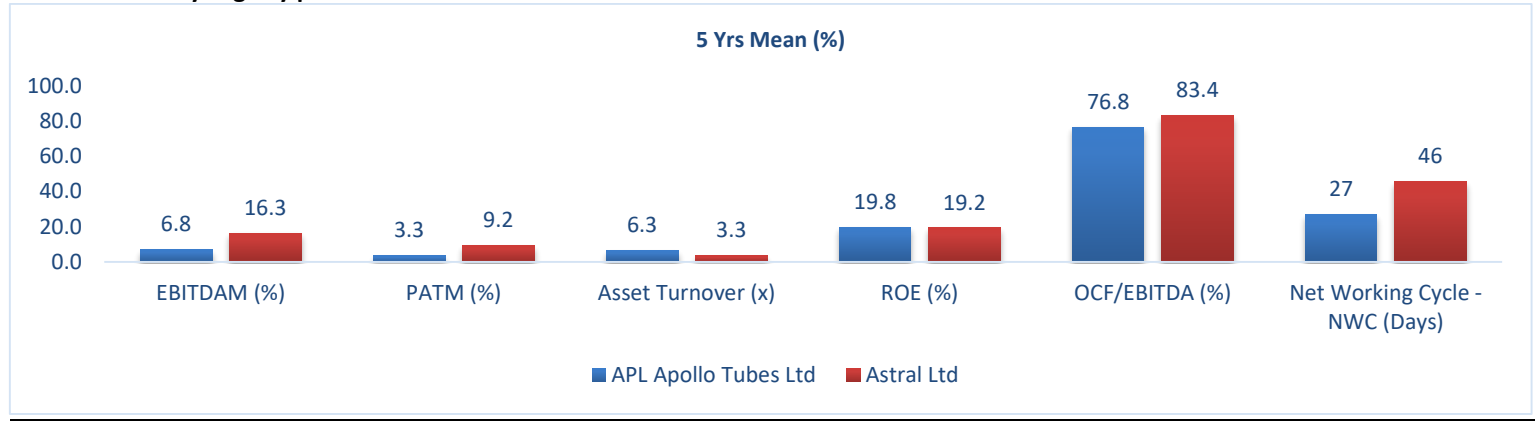
For speedy economic revival big bang, push given in Budget 2022-23 using infrastructure route by increasing outlay for capex @ 35.4% in comparison with last year.

Exhibit 93 - Comparison of key financial metrics



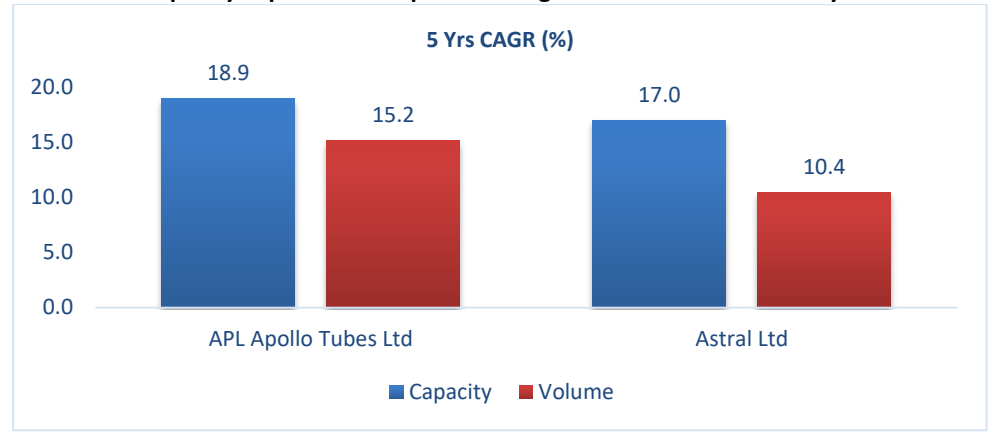
Source: Company & KJMC Research

Exhibit 94 - Analyzing key parameters



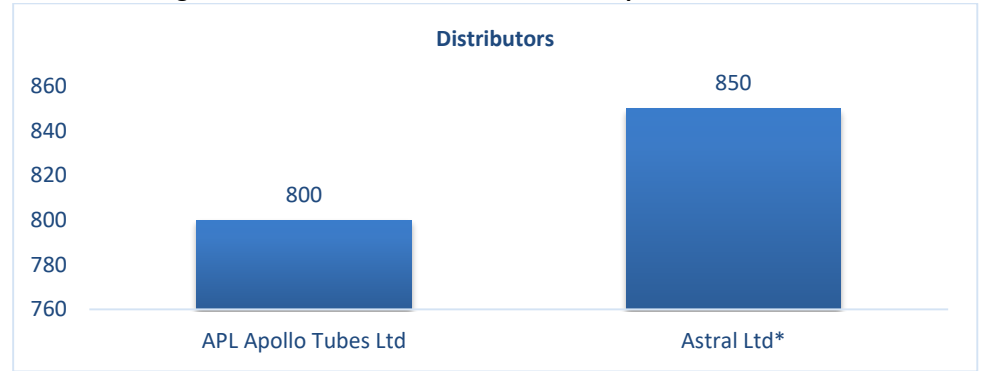
Source: Company & KJMC Research

Exhibit 95 - Capacity expansion and production growth APL leads in all ways



Source: Company & KJMC Research

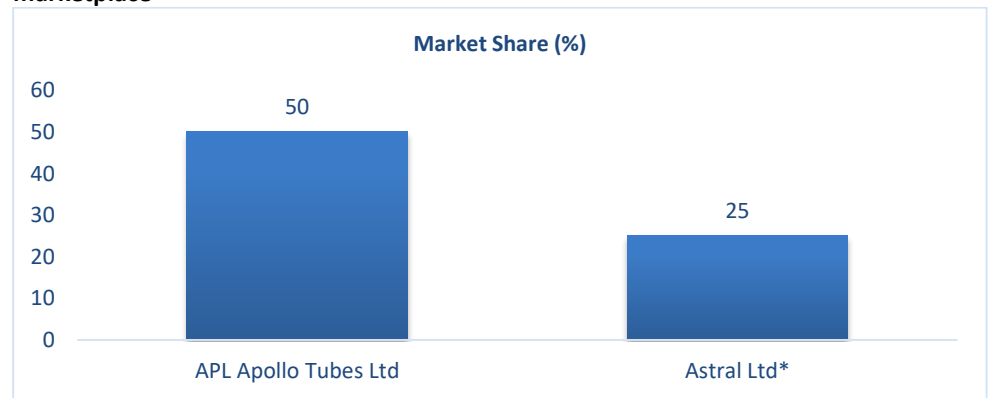
Exhibit 96 - Large distribution networks in its business space



Source: Company & KJMC Research

Over the years, both the companies have created the largest distribution networks, which enables them in expansive and entrenched networks to face the consumers end. APL Apollo focuses on nurturing, healthy relations with its distribution network. The result of its efforts is reflected in the rising sales volumes with dominant market share.

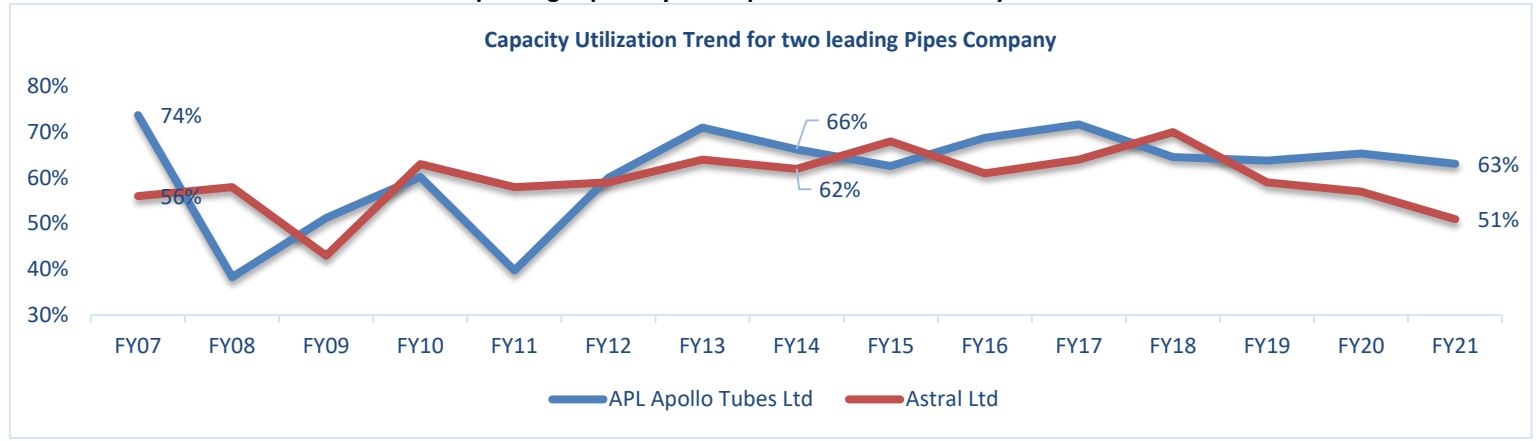
Exhibit 97 - Dominant market share in an increasingly competitive and dynamic marketplace



Source: Company & KJMC Research

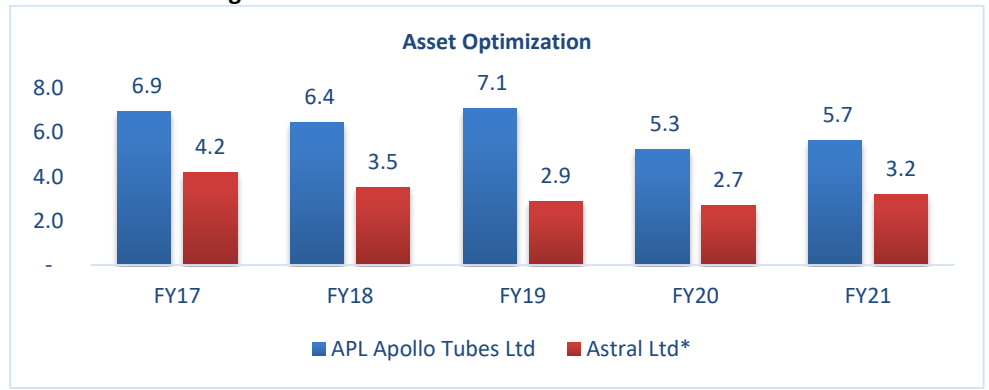
*Astral market share considered for CPVC pipes.

Exhibit 98 - Efficient utilization leads to improving capability to outperform fundamentally



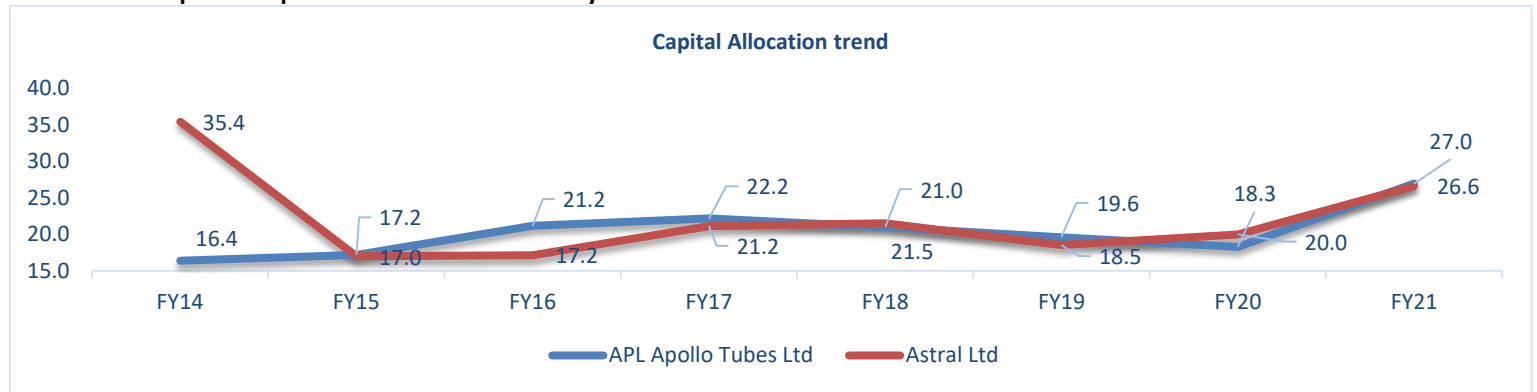
Source: Company & KJMC Research

Exhibit 99 - Sweating its assets



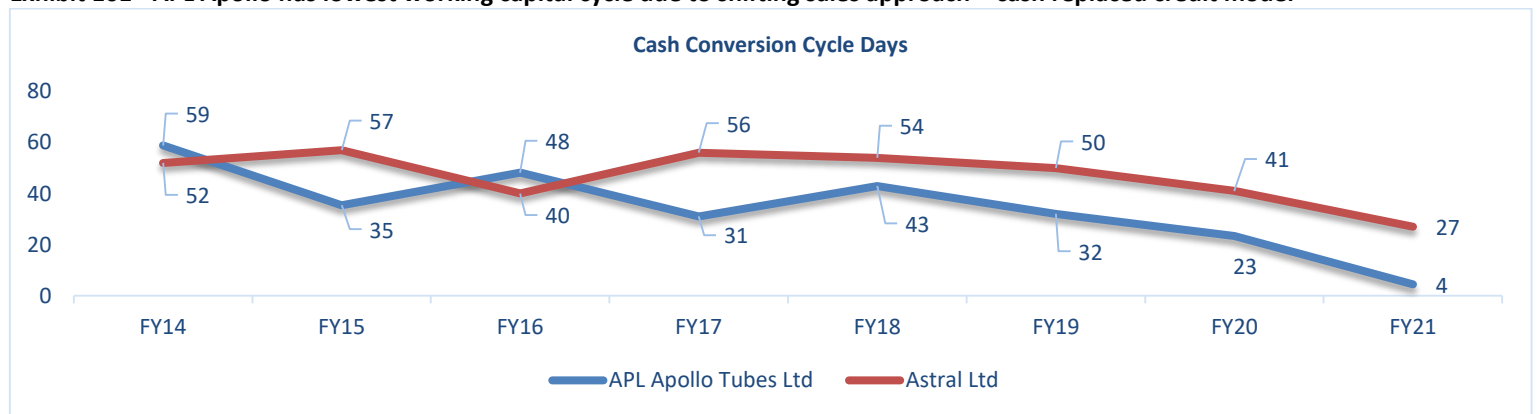
Source: Company & KJMC Research

Exhibit 100 - Superior Capital allocation trend lead by utilization its assets



Source: Company & KJMC Research

Exhibit 101 - APL Apollo has lowest working capital cycle due to shifting sales approach – cash replaced credit model



Source: Company & KJMC Research

The Company is adding value to its steel craft. APL Apollo announced the merger of Apollo Tricoat and Shri Lakshmi Metal with itself. This merger would combine the business under the "APL Apollo" brand with wide product offerings and geographical footprint leading to a stronger market presence.

Merger of Apollo Tricoat with APL Apollo Tubes

Merger of Apollo Tricoat Tubes Ltd with APL Apollo Tubes Ltd is on track, the process expected to be completed within Q1FY23. Post which there will be simplified group structures with a largest structural steel tube company in India and 5th largest globally. The merger doesn't involve any cash consideration and the scheme of amalgamation will involve splitting up of one share of Shri Lakshmi metal of the face value of Rs 10 into five shares of the face value of Rs 2. Under the merger scheme, Apollo Tricoat's minority shareholders will receive one equity share in APL Apollo for every one equity share held. Post which APL Apollo's share capital will increase around 10.8%.

Exhibit 102 - Merger benefits for APL Apollo Shareholders

- EPS Accretive: Net profit increase by 13.5%, Dilution of 9.7%
- ROE Accretive: 100% of Apollo's Tricoat profit to boost return profile
- Margin Accretive: Apollo Tricoat's high margin products to lift APL Apollo's profitability
- Addition of innovative value added products to APL Apollo's portfolio
- Apollo Tricoat's B2C centric approach will enhance Group's brand equity

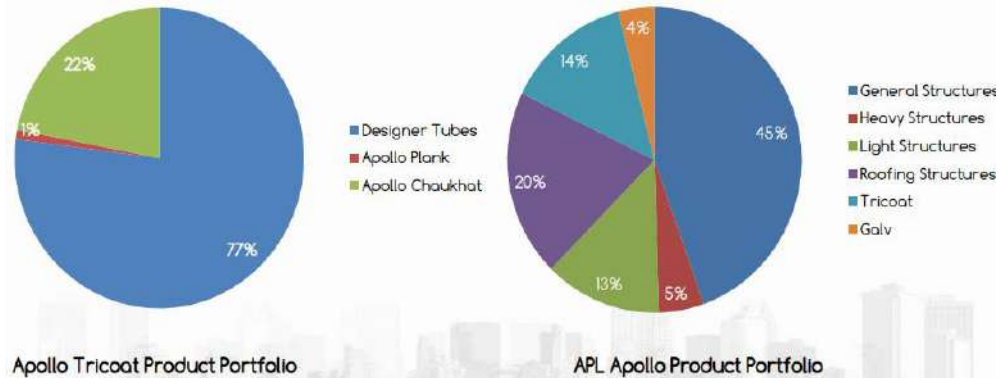
Benefits for Apollo Tricoat Shareholders

- 16% premium to last closing market price and 25% premium to 3-month DWAP
- Stronger platform and stable cash flows driving superior returns
- Balance Sheet strengthening with bigger scale
- Earnings de-risked through addition of APL Apollo's products
- Opportunity to introduce new technologies into home innovation segment
- To benefit from APL Apollo's distribution network and brand trust
- Lower distribution cost by accessing distribution network of Apollo Tubes

Source: Company

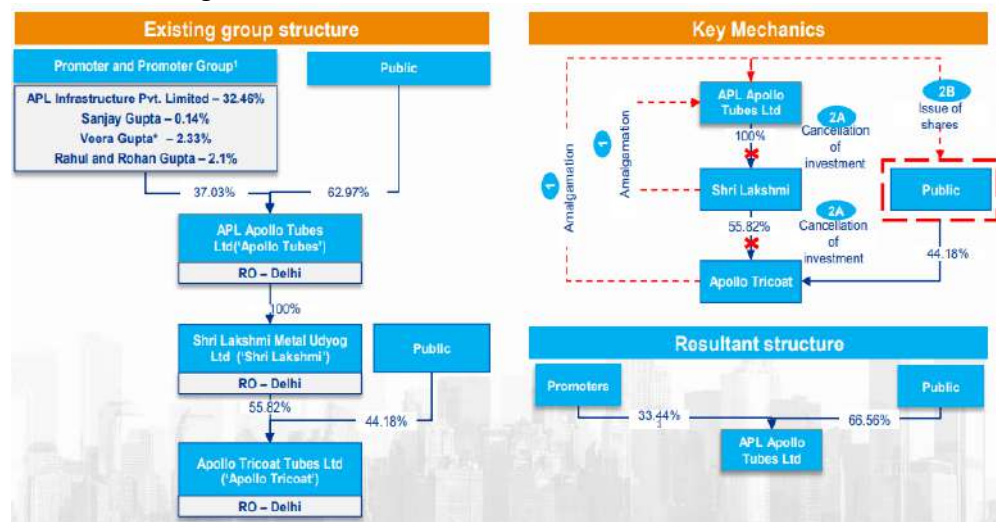
Merger of Apollo Tricoat who only manufactures niche, high margin products will further increase the proportion of revenue from value added product in APL Apollo.

Exhibit 103 - APL Apollo to increase value added product pool post-merger.



Source: Company

Exhibit 104 - Merger Structure



Source: Company

Comparing APL Apollo with all leading building material companies.

Peer Comparison & Analysis

APL Apollo business model is less charismatic in comparison with other Building Materials players. But it has positioned its product in such format that a large part of the company's product basket has multiple applications. The company's unwavering focus on growing retail and value added product sales allows them to lead with superior pricing in the industry, resulting to outperform other building material (BM) players on many key Quantitative aspects. To understand more efficiently its fundamental growth, we have picked up some key sector to compare with APL Apollo in Building material space which are – 1) Cement, 2) Paints, 3) Plastic Pipes, 4) Forest & Wood Products, 5) Supplies & Fixtures, 6) Electrical component + diversified chemical and 7) Iron & Steel product.

Exhibit 105 - Competitive Landscape for leading Companies in Building Materials Space

(Rs in INR Bn)

Particulars	Mcap	Revenue			EBITDA			PAT			EPS (Rs)			ROE (%)		
		FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
APL Apollo Tubes	234	127.6	167.5	219.9	9.87	13.82	18.92	6.55	9.32	12.92	26.2	37.3	51.7	26.7	27.9	28.1
Surya Roshni	23	75.5	79.7	93.6	5.0	5.5	NA	2.4	2.8	4.1	45.0	53.0	75.7	16.4	16.6	20.6
Shree Cement	844	150.6	172.9	195.1	39.7	45.5	53.1	23.3	26.5	31.9	639.7	734.9	884.2	13.9	14.2	14.7
Ultratech Cement	1796	521.8	584.2	650.5	118.7	138.8	159.6	63.1	76.4	92.1	214.8	265.0	319.1	13.2	14.6	15.3
Asian Paints	2925	289.7	334.5	377.1	48.9	66.3	78.2	32.0	45.0	54.0	33.1	46.9	56.3	23.7	29.4	30.3
Berger Paints	679	89.6	103.2	116.0	13.9	17.8	20.5	8.6	11.4	13.3	8.8	11.7	13.6	23.5	26.4	26.5
Astral	407	43.2	51.1	61.4	7.9	9.7	11.7	5.1	6.5	8.1	25.3	32.1	40.1	24.0	24.9	25.8
Supreme Industries	256	75.8	81.9	89.9	12.4	13.4	14.9	9.4	9.6	10.5	73.8	75.5	83.0	26.4	23.7	22.8
Century Plyboards	157	27.2	32.3	40.0	5.1	6.2	7.2	3.2	4.0	4.7	14.6	18.1	21.3	22.9	22.8	21.7
Greenlam Industries	44	16.5	19.4	23.3	2.1	2.7	3.3	1.0	1.4	1.7	8.5	11.6	14.3	16.1	20.0	20.3
Kajaria Ceramics	166	37.4	44.7	52.0	6.5	8.2	9.7	4.1	5.3	6.4	25.8	33.1	40.0	20.5	23.1	24.7
Cera Sanitaryware	62	15.0	17.2	19.7	2.3	2.7	3.1	1.5	1.9	2.2	117.6	144.5	170.9	16.5	17.5	18.2
Polycab India	364	117.5	134.4	151.9	12.1	16.1	19.0	8.2	10.8	13.2	54.0	73.2	89.4	15.7	18.3	19.2
Havells India	706	132.6	154.0	177.1	17.6	21.3	24.7	12.0	14.8	17.5	19.2	23.7	28.0	21.3	22.9	23.4
Pidilite Industries	1249	100.1	114.9	128.9	19.3	25.0	28.9	12.7	17.0	20.1	25.0	33.5	39.5	21.0	24.1	24.8

Source: Company, Refinitiv & KJMC Research

*NA = Not available

Exhibit 106 - Valuation Landscape

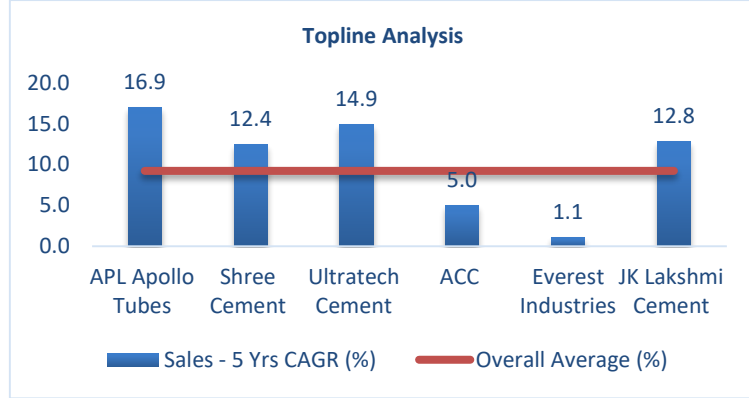
Particulars	EV/EBITDA (x)			PE (x)		
	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
APL Apollo Tubes	23.9	17.0	12.4	35.8	25.1	18.1
Surya Roshni	6.0	5.4	4.4	9.8	8.4	5.7
Shree Cement	20.8	18.5	15.6	36.2	32.7	26.4
Ultratech Cement	15.7	13.8	11.8	28.6	24.4	19.8
Asian Paints	59.4	44.4	37.3	91.5	66.0	54.5
Berger Paints	49.2	38.5	33.4	78.6	59.5	51.0
Astral	51.3	42.0	34.6	80.3	63.7	50.5
Supreme Industries	20.5	19.2	17.2	27.7	27.5	24.7
Century Plyboards	30.7	25.3	21.7	48.3	39.0	33.1
Greenlam Industries	22.5	17.3	13.8	44.0	31.7	25.7
Kajaria Ceramics	24.9	20.2	16.8	40.7	32.4	26.2
Cera Sanitaryware	26.0	22.4	19.8	40.6	33.6	29.2
Polycab India	29.6	22.3	18.9	44.2	33.6	27.5
Havells India	39.1	32.6	27.8	58.8	48.2	40.6
Pidilite Industries	64.6	50.5	43.3	98.4	74.0	62.4
Mean (x)	32.9	26.6	22.6	52.0	41.0	34.1
Median (x)	27.8	22.3	19.4	44.1	33.6	28.4

Source: Company, Refinitiv & KJMC Research

Updated on 22nd March 2022

Comparison with Cement Sector

Exhibit 107 - Analyzing sales growth



Source: Company & KJMC Research

Exhibit 108 - Analyzing PAT growth

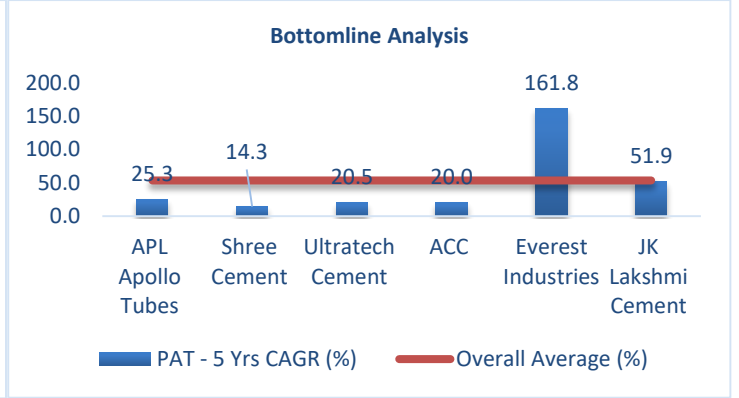
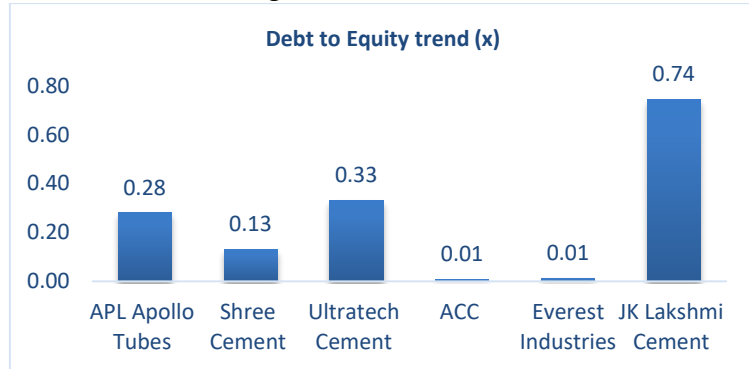
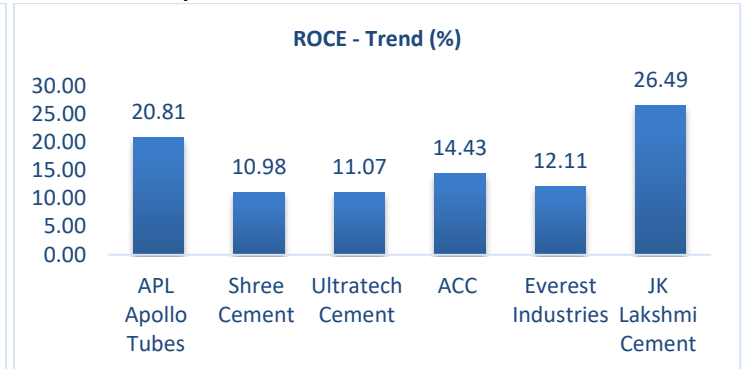


Exhibit 109 - The leverage scenario



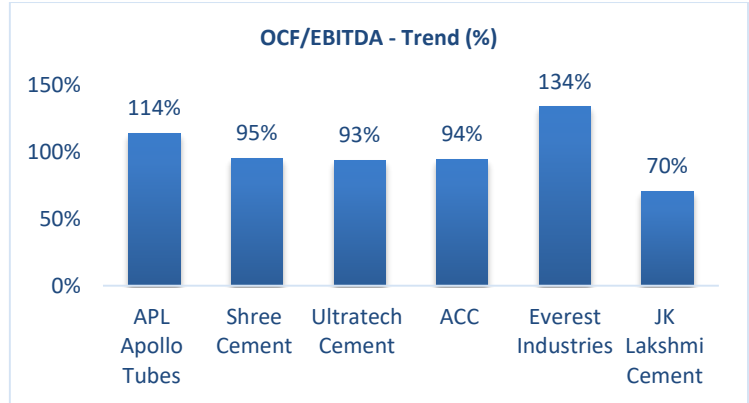
Source: Company & KJMC Research

Exhibit 110 - Capital Allocation trend



Taken 3 yrs Average

Exhibit 111 - Ability to convert EBITDA into Cash Flow



Source: Company & KJMC Research

Taken 3 yrs Average

Exhibit 112 - Cash flow growth

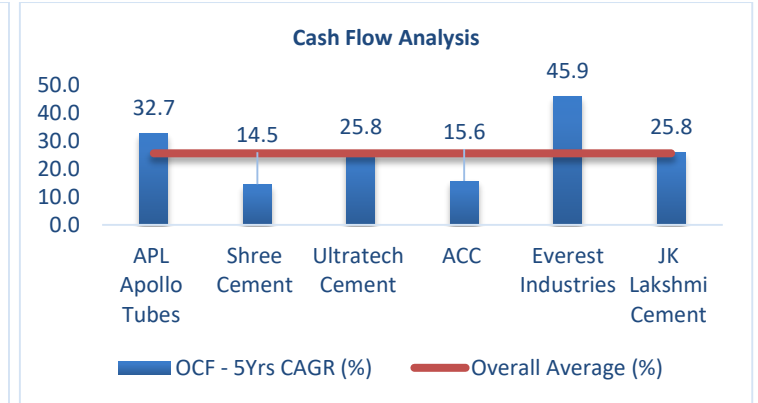
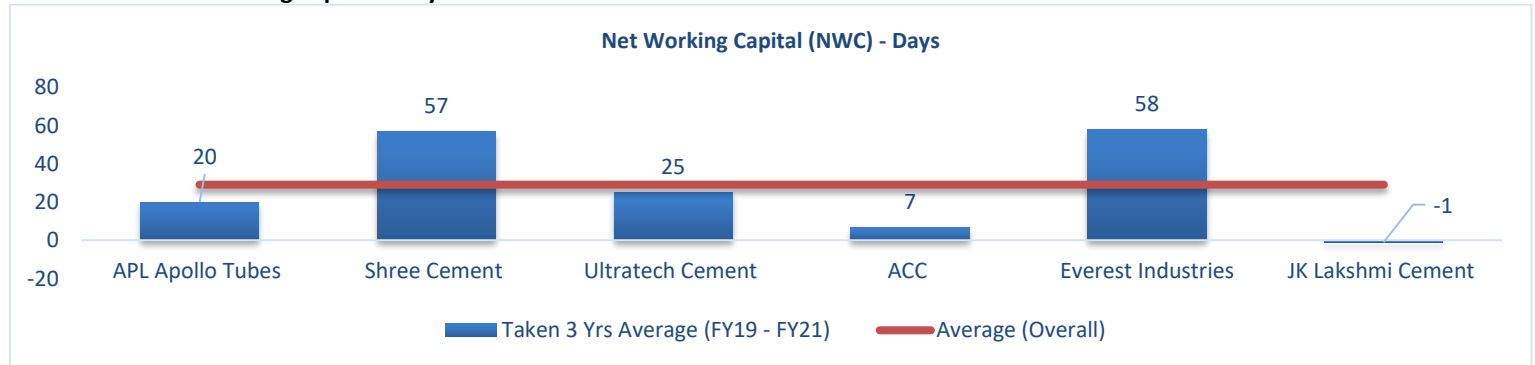


Exhibit 113 - Net Working capital analysis



Source: Company & KJMC Research

Comparison with Paints Sector

Exhibit 114 - Analyzing sales growth

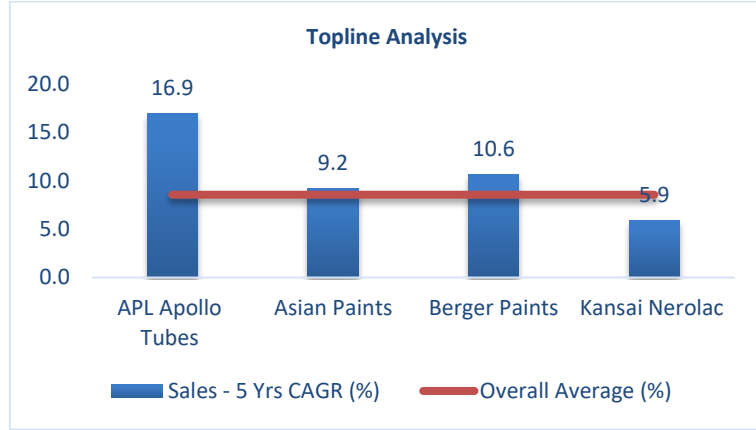
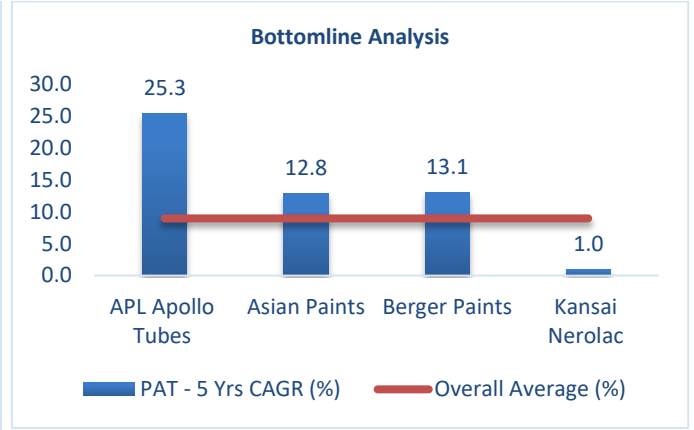


Exhibit 115 - Analyzing PAT growth



Source: Company & KJMC Research

Exhibit 116 - The leverage scenario

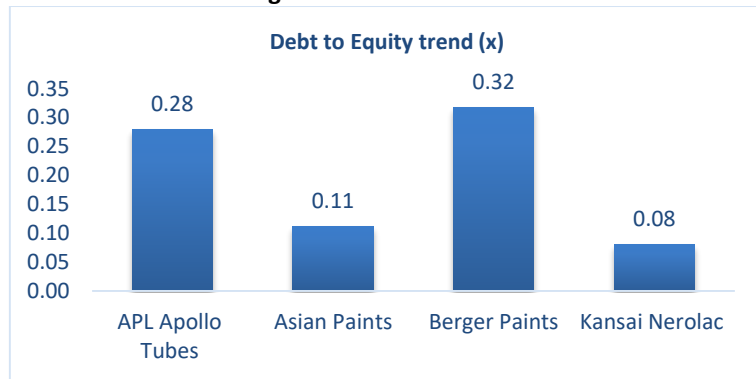
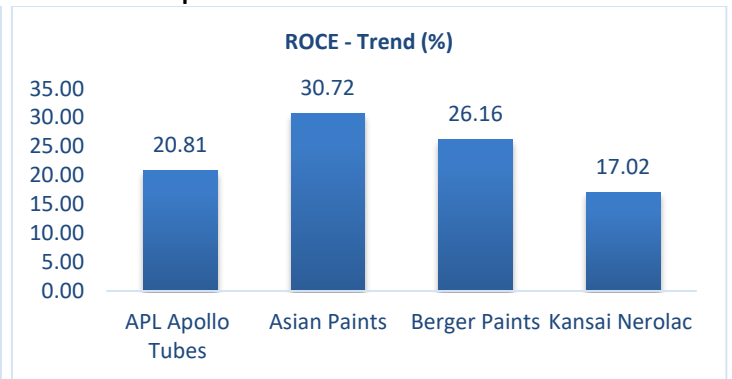


Exhibit 117 - Capital Allocation trend



Source: Company & KJMC Research

Taken 3 yrs Average

Exhibit 118 - Ability to convert EBITDA into Cash Flow

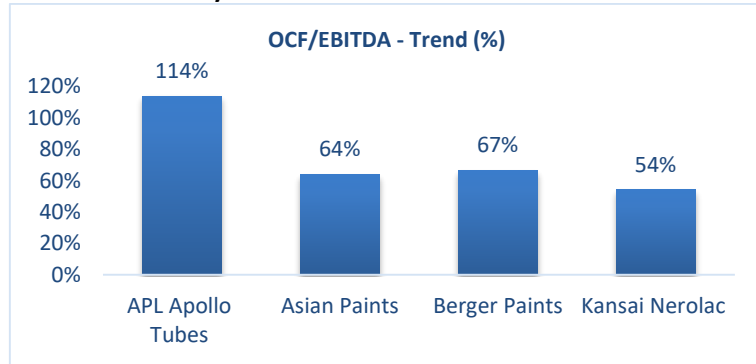
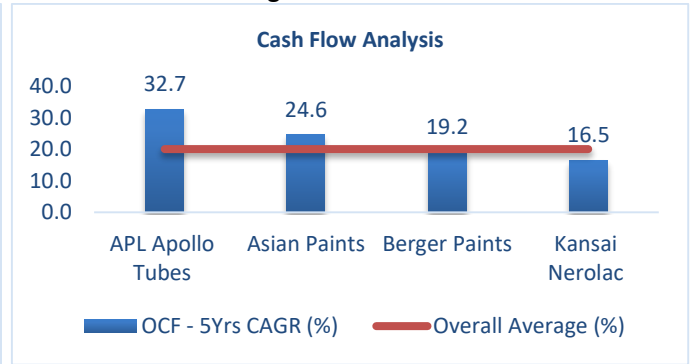


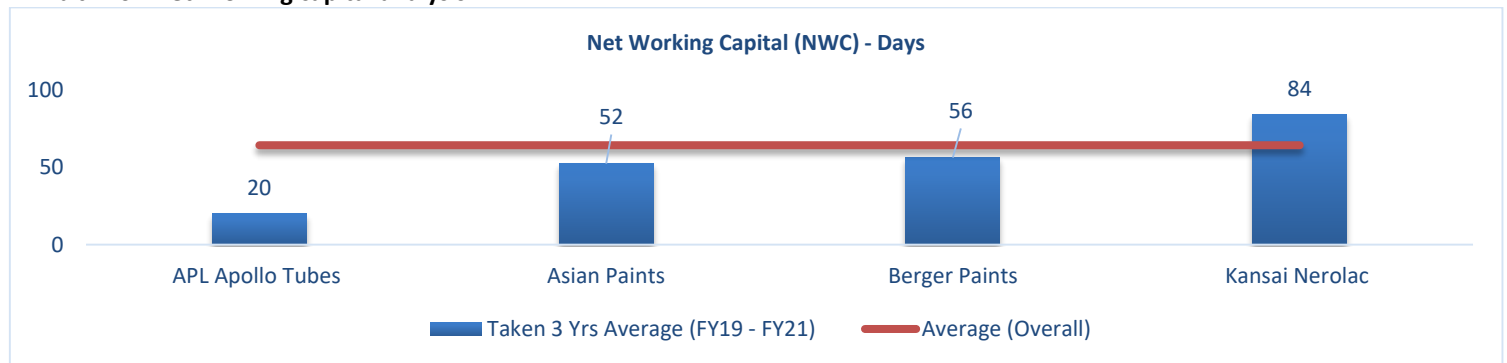
Exhibit 119 - Cash flow growth



Source: Company & KJMC Research

Taken 3 yrs Average

Exhibit 120 - Net Working capital analysis



Source: Company & KJMC Research

Comparison with Plastic Pipes Sector

Exhibit 121 - Analyzing sales growth

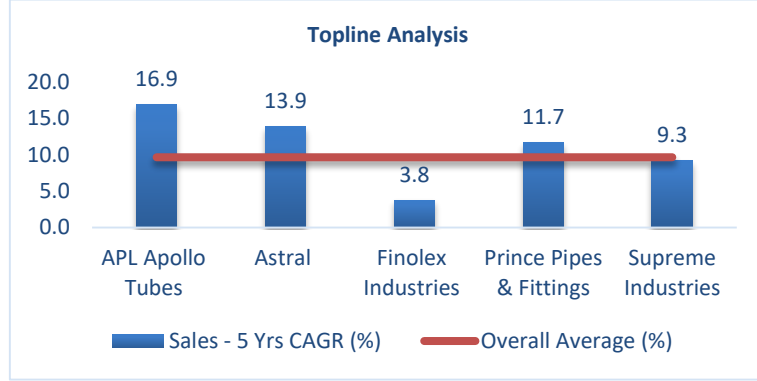
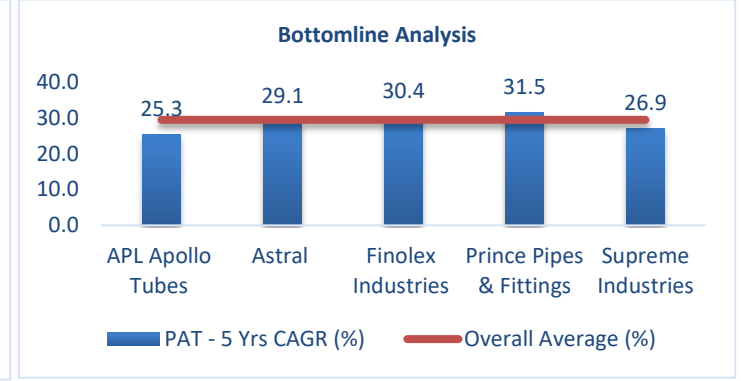


Exhibit 122 - Analyzing PAT growth



Source: Company & KJMC Research

Exhibit 123 - The leverage scenario

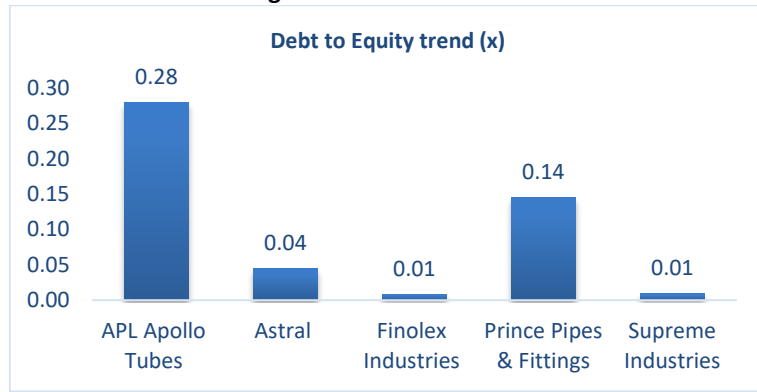
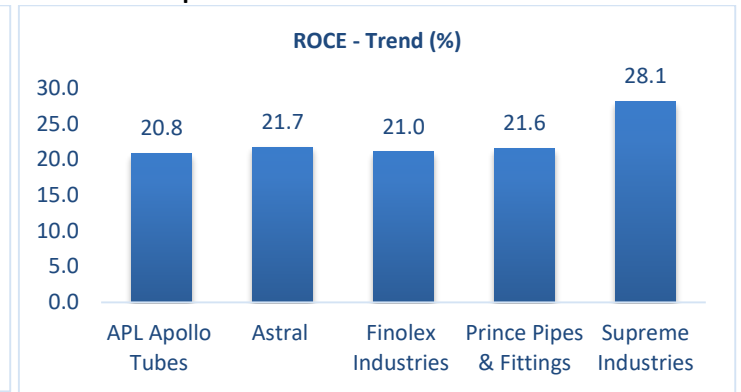


Exhibit 124 - Capital Allocation trend



Source: Company & KJMC Research

Taken 3 yrs Average

Exhibit 125 - Ability to convert EBITDA into Cash Flow

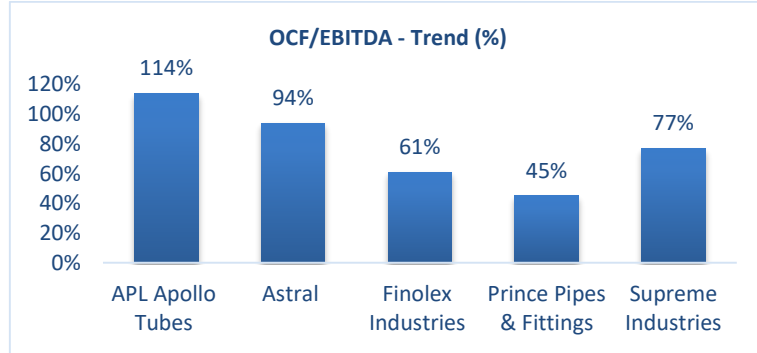
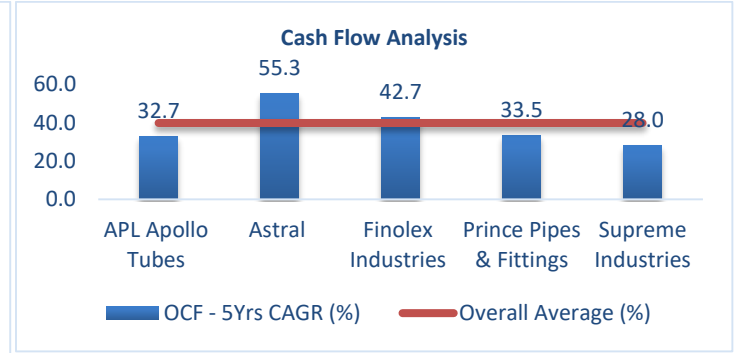


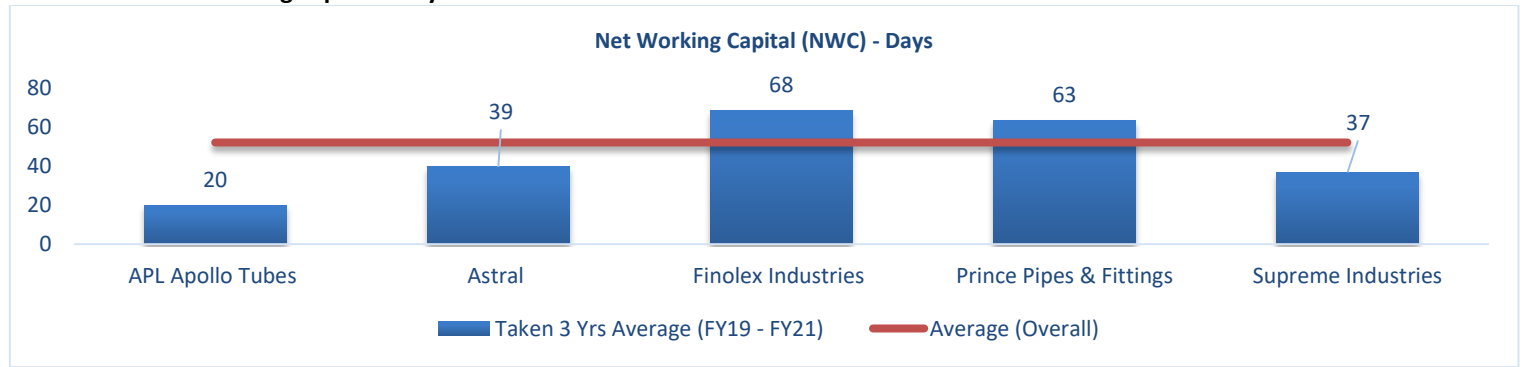
Exhibit 126 - Cash flow growth



Source: Company & KJMC Research

Taken 3 yrs Average

Exhibit 127 - Net Working capital analysis



Source: Company & KJMC Research

Comparison with Forest & Wood Products

Exhibit 128 - Analyzing sales growth

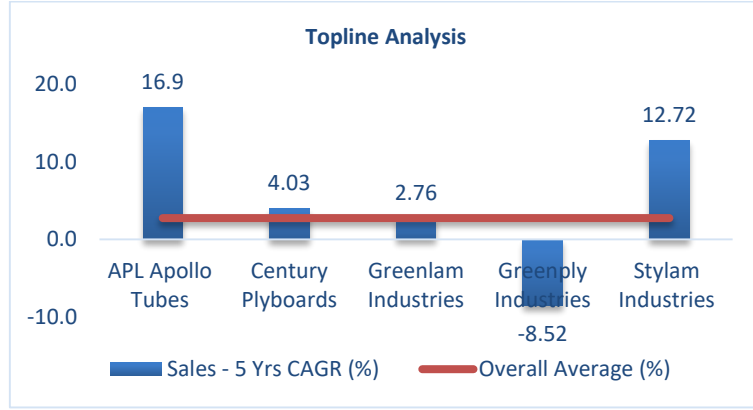
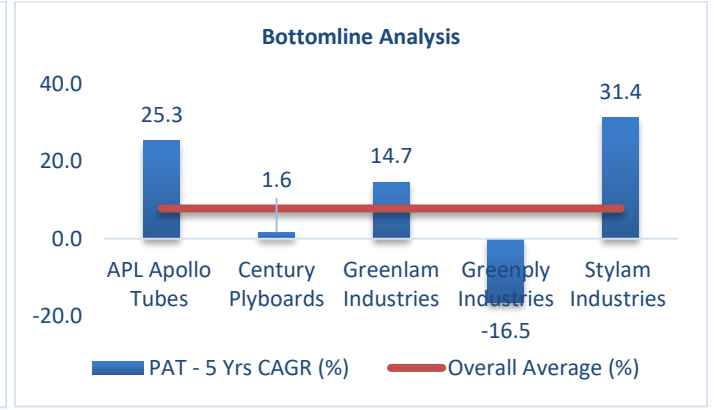


Exhibit 129 - Analyzing PAT growth



Source: Company & KJMC Research

Exhibit 130 - The leverage scenario

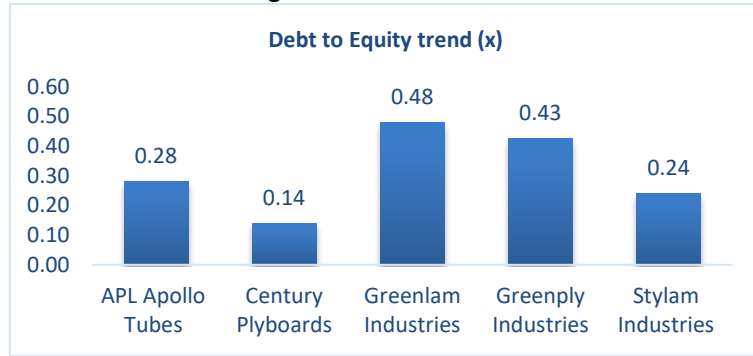
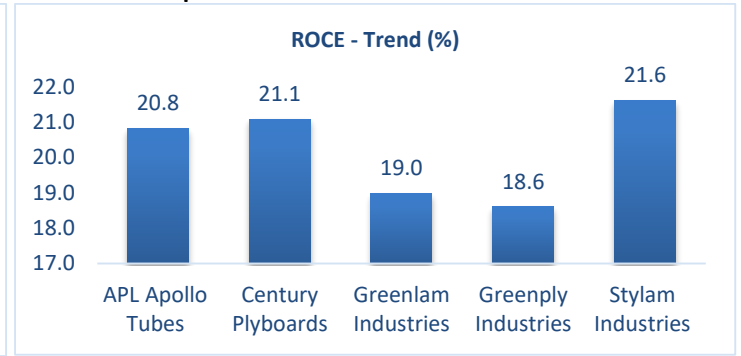


Exhibit 131 - Capital Allocation trend



Source: Company & KJMC Research

Taken 3 yrs Average

Exhibit 132 - Ability to convert EBITDA into Cash Flow

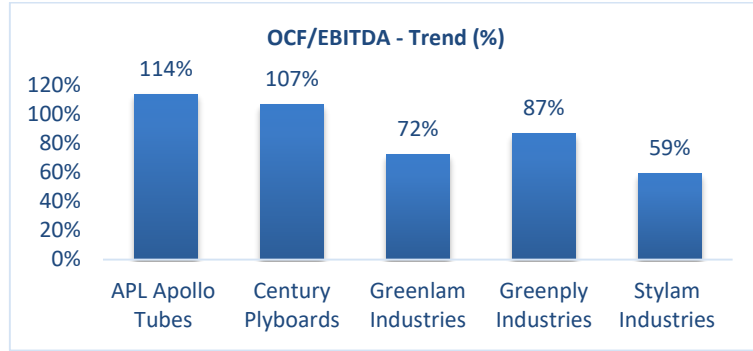
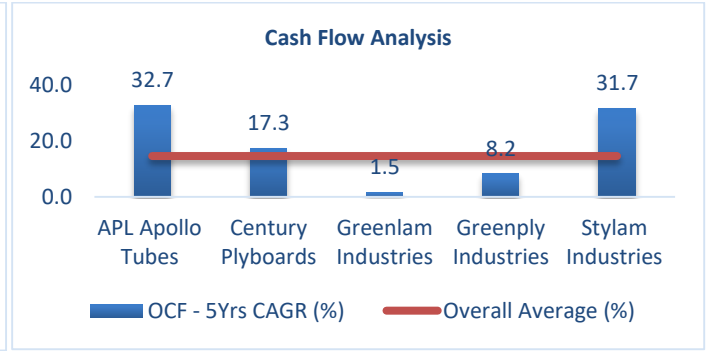


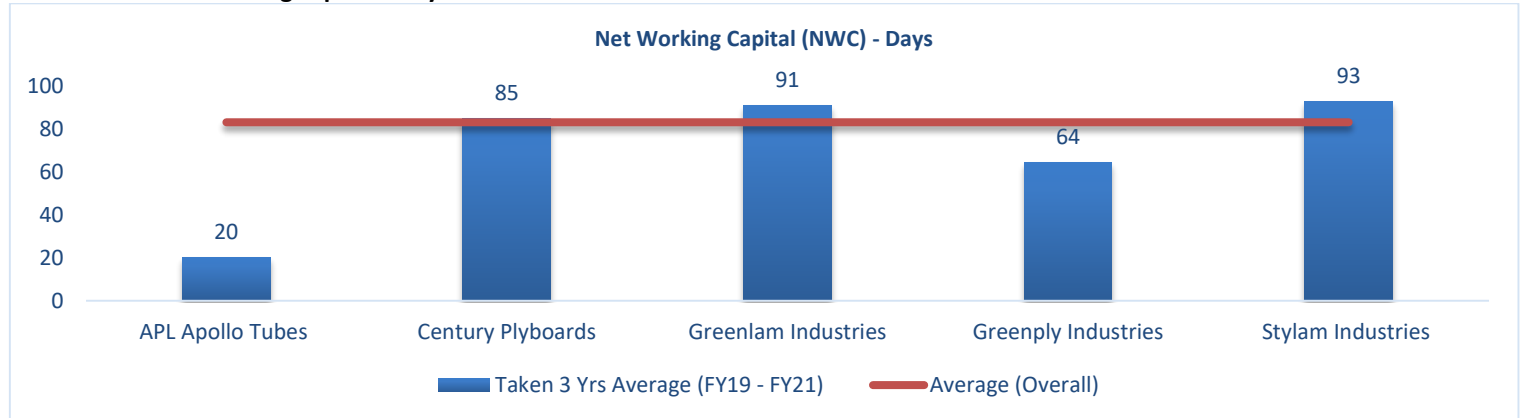
Exhibit 133 - Cash flow growth



Source: Company & KJMC Research

Taken 3 yrs Average

Exhibit 134 - Net Working capital analysis



Source: Company & KJMC Research

Comparison with Supplies & Fixtures Sector

Exhibit 135 - Analyzing sales growth

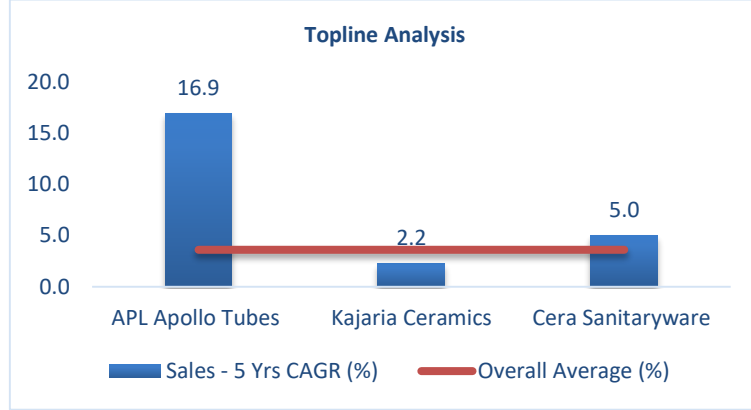
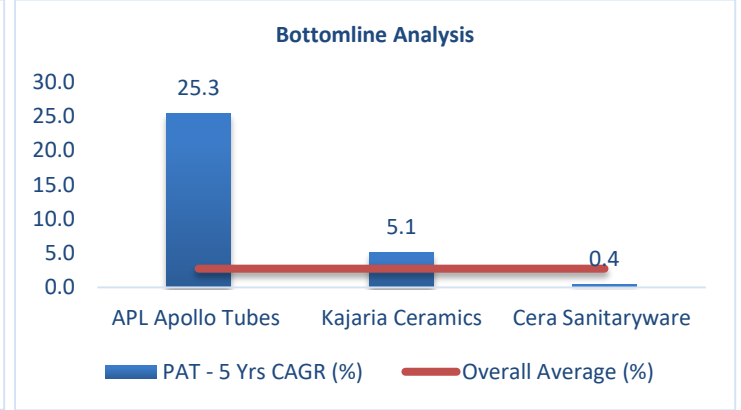


Exhibit 136 - Analyzing PAT growth



Source: Company & KJMC Research

Exhibit 137 - The leverage scenario

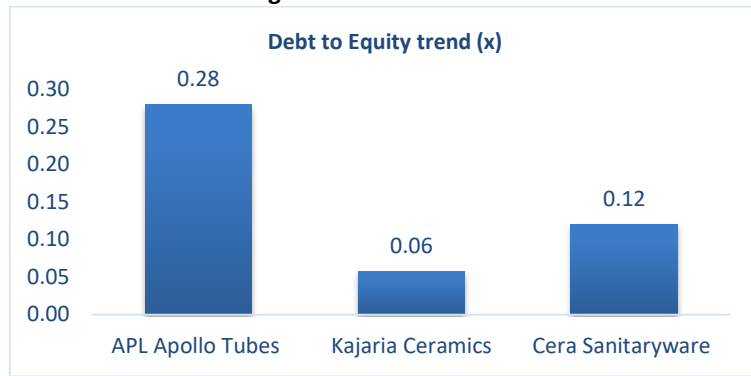
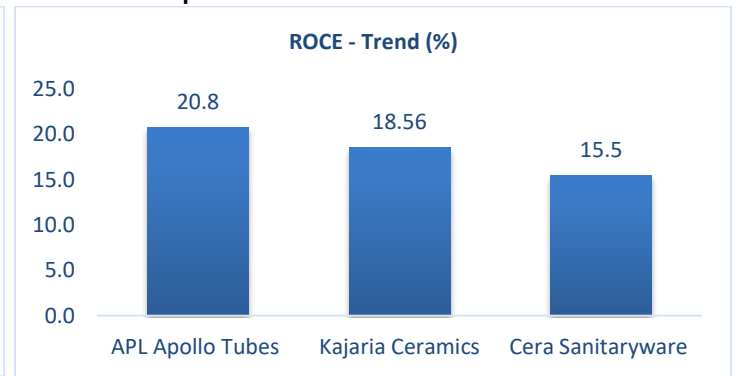


Exhibit 138 - Capital Allocation trend



Source: Company & KJMC Research

Taken 3 yrs Average

Exhibit 139 - Ability to convert EBITDA into Cash Flow

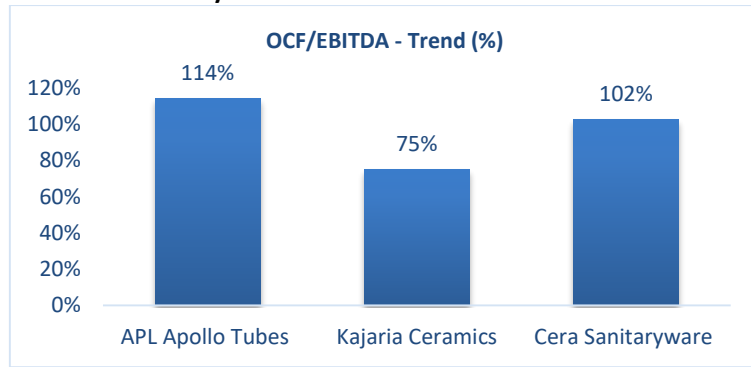
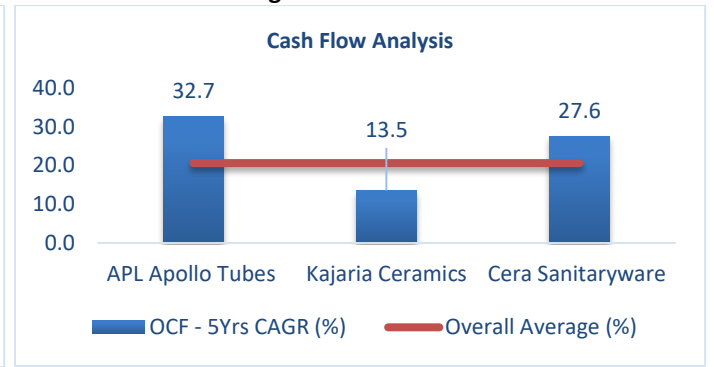


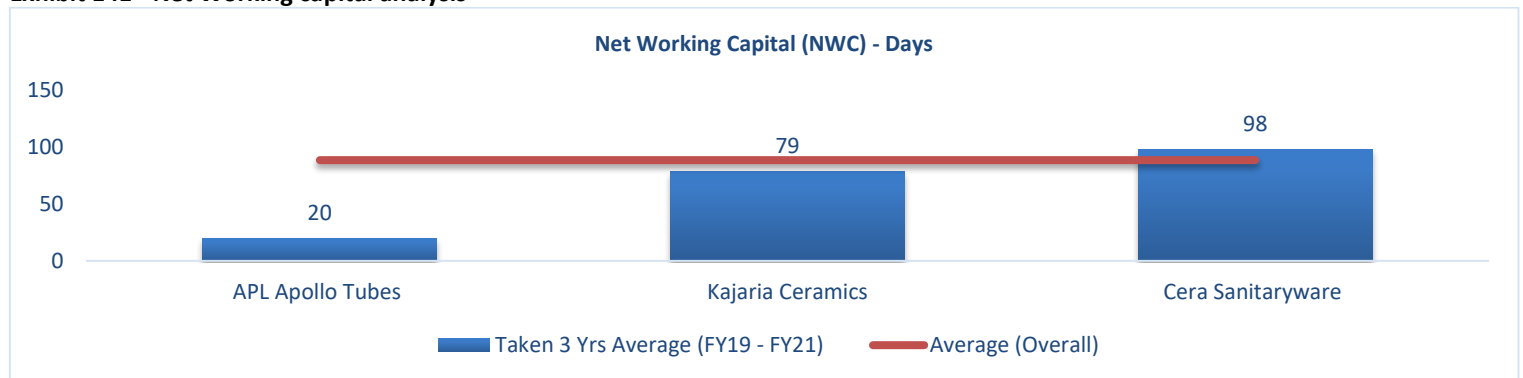
Exhibit 140 - Cash flow growth



Source: Company & KJMC Research

Taken 3 yrs Average

Exhibit 141 - Net Working capital analysis



Source: Company & KJMC Research

Comparison with Electrical components + diversified chemical Sector

Exhibit 142 - Analyzing sales growth

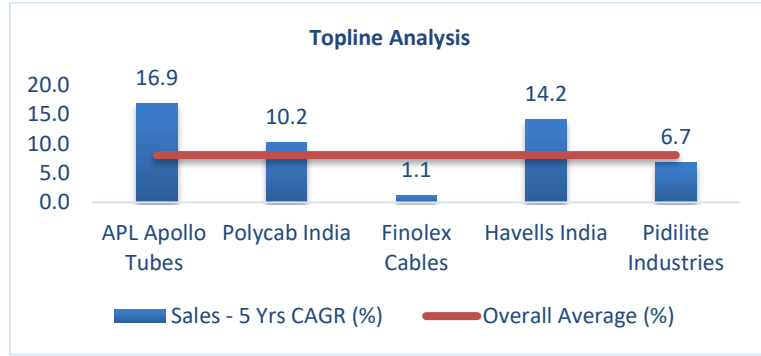
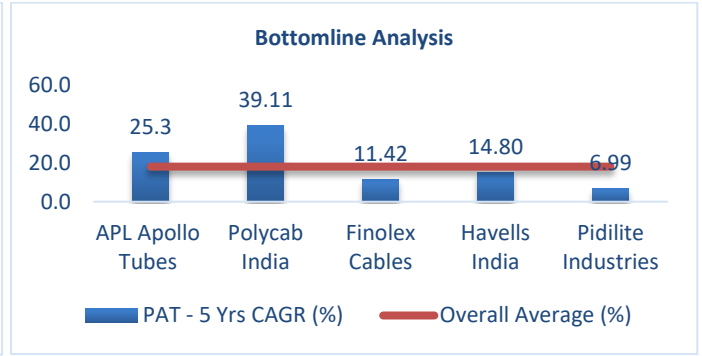


Exhibit 143 - Analyzing PAT growth



Source: Company & KJMC Research

Exhibit 144 - The leverage scenario

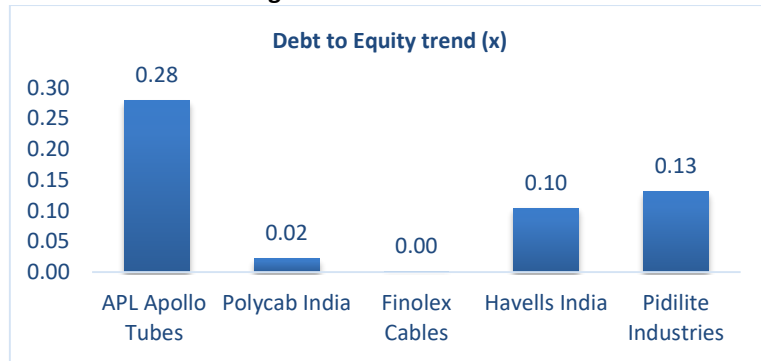
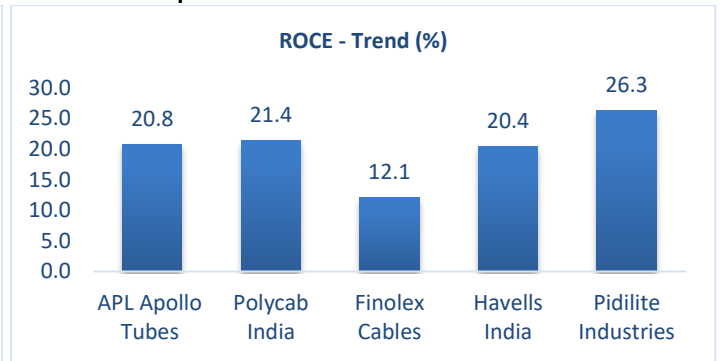


Exhibit 145 - Capital Allocation trend



Source: Company & KJMC Research

Taken 3 yrs Average

Exhibit 146 - Ability to convert EBITDA into Cash Flow

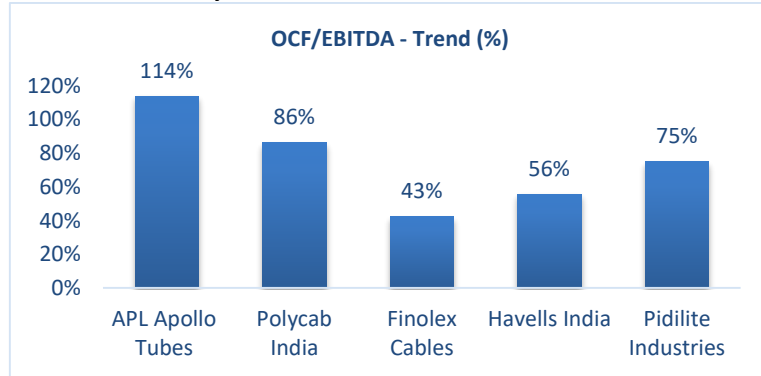
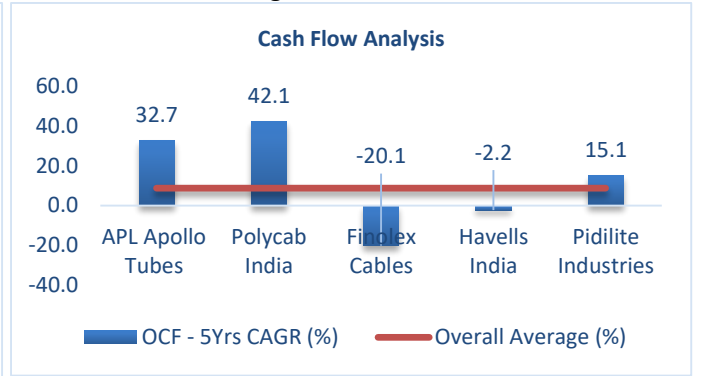


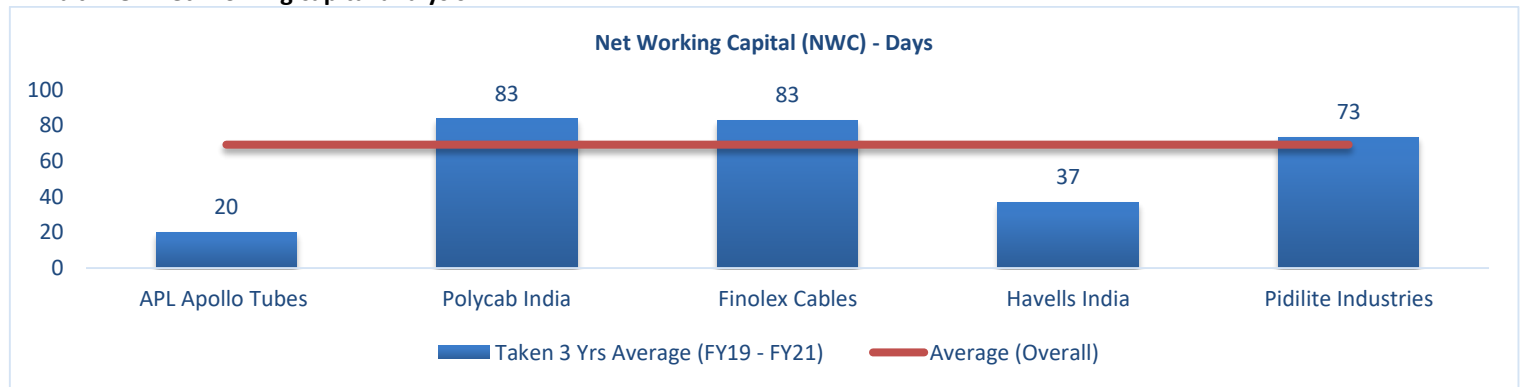
Exhibit 147 - Cash flow growth



Source: Company & KJMC Research

Taken 3 yrs Average

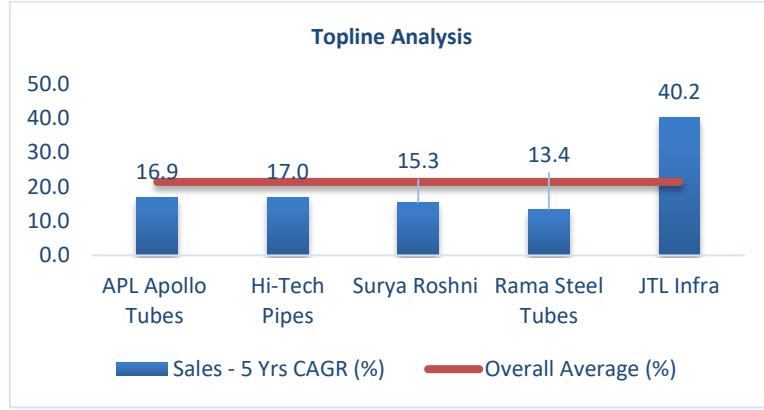
Exhibit 148 - Net Working capital analysis



Source: Company & KJMC Research

Comparison with Iron & Steel product.

Exhibit 149 - Analyzing sales growth



Source: Company & KJMC Research

Exhibit 150 - Analyzing PAT growth

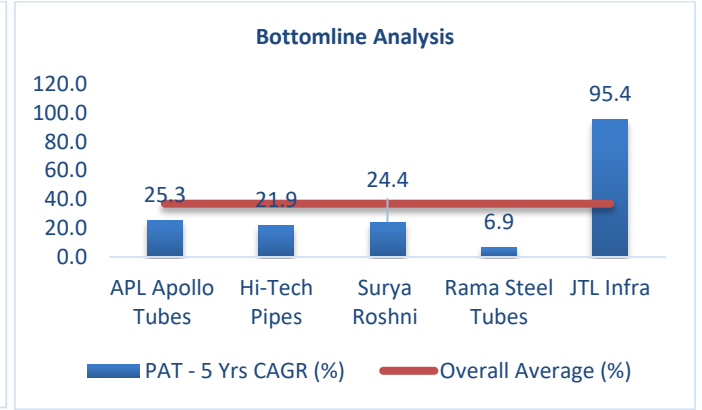
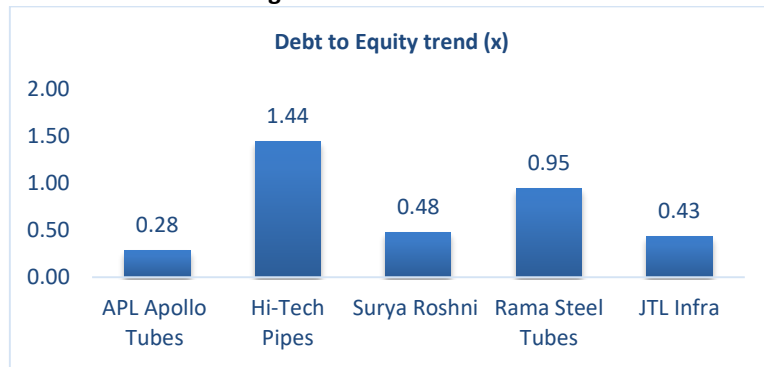
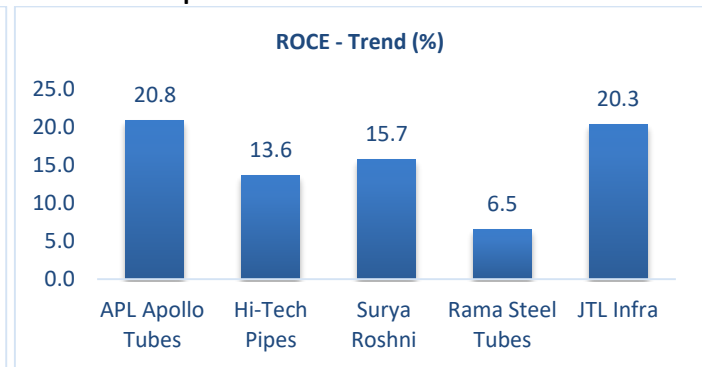


Exhibit 151 - The leverage scenario



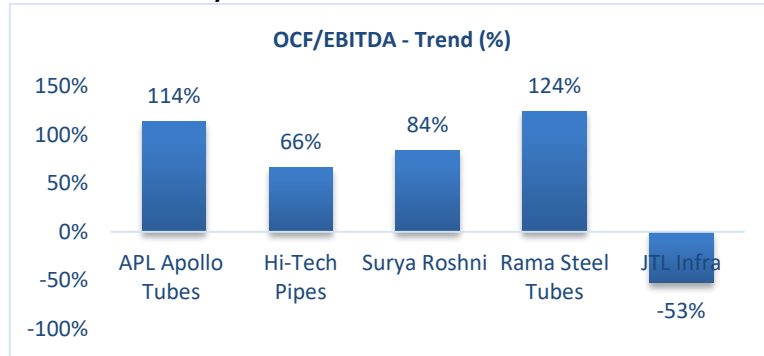
Source: Company & KJMC Research

Exhibit 152 - Capital Allocation trend



Taken 3 yrs Average

Exhibit 153 - Ability to convert EBITDA into Cash Flow



Source: Company & KJMC Research

Taken 3 yrs Average

Exhibit 154 - Cash flow growth

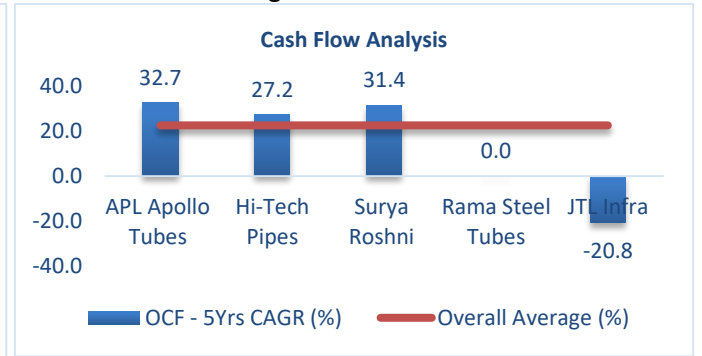
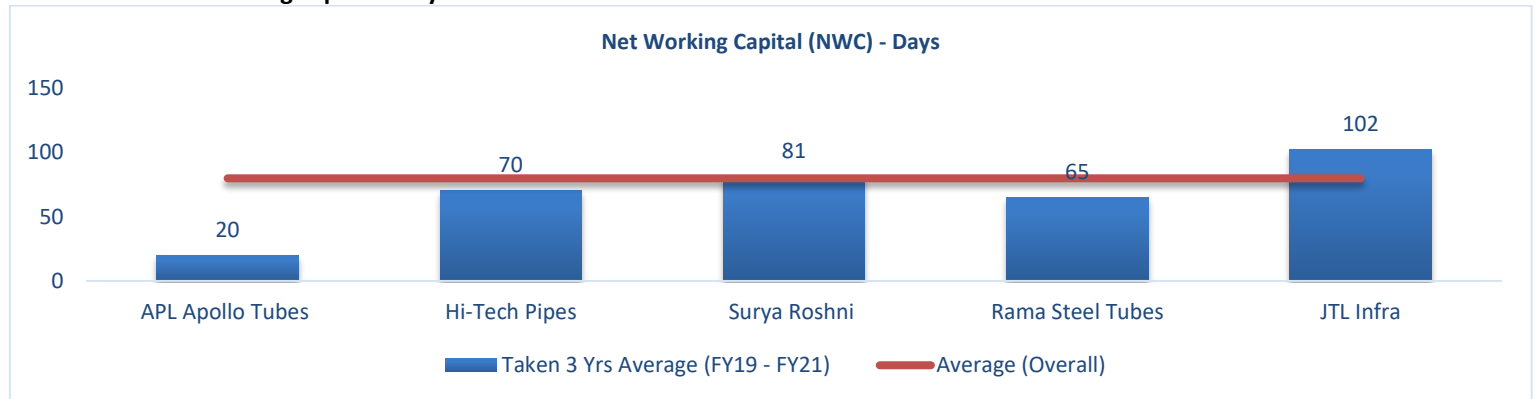
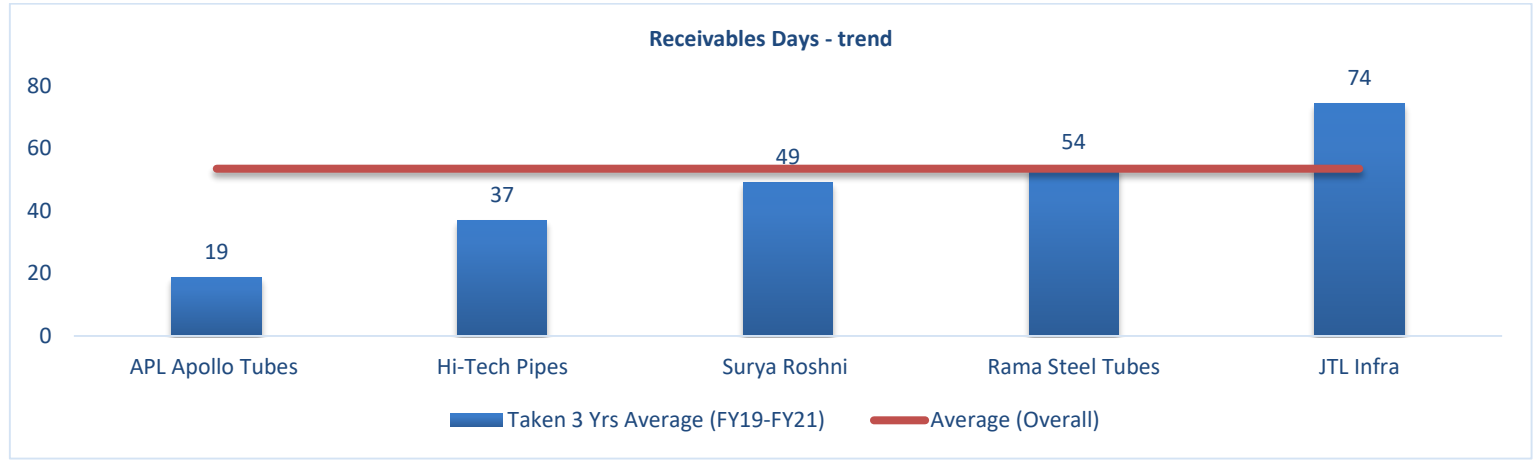


Exhibit 155 - Net Working capital analysis



Source: Company & KJMC Research

Exhibit 156 - Receivable trend



Source: Company & KJMC Research

Exhibit 157 - Control in operating expenses to gain margins and improve profitability

Parameters (Rs in INR Cr)	APL Apollo Tubes			Hi-Tech Pipes			Surya Roshni			Rama Steel Tubes			JTL Infra		
	FY19	FY20	FY21	FY19	FY20	FY21	FY19	FY20	FY21	FY19	FY20	FY21	FY19	FY20	FY21
Revenue from Operations	7152	7723	8500	1360	1210	1341	5975	5471	5561	504	353	470	322	230	436
Cost of Material Consumed	6289	6598	7160	1200	1103	1200	4401	4069	4062	374	260	287	287	210	392
<i>as % of Sales</i>	87.9%	85.4%	84.2%	88.2%	91.2%	89.5%	73.7%	74.4%	73.0%	74.2%	73.7%	61.1%	89.0%	91.1%	90.0%
Employee Expenses	108	142	130	14	18	19	294	304	307	6	7	7	2	3	3
<i>as % of Sales</i>	1.5%	1.8%	1.5%	1.0%	1.5%	1.4%	4.9%	5.6%	5.5%	1.2%	2.0%	1.5%	0.6%	1.4%	0.7%
Other Expenses	344	527	527	36	37	41	581	578	532	12	13	14	13	7	8
<i>as % of Sales</i>	4.8%	6.8%	6.2%	2.6%	3.1%	3.0%	9.7%	10.6%	9.6%	2.3%	3.7%	2.9%	3.9%	3.0%	1.8%

Source: Company & KJMC Research

Global Peers landscape

Exhibit 158 - (The Company is aiming to be like Zekelman, SSAB, Maruichi. The dream to be huge have already started to focus on increasing in capacity, value added products with higher diameter tubes)

Parameters	Country	Revenue (Rs in Bn)	EBITDAM (%) Blended
APL Apollo Tubes Ltd	India	85	8
SSAB AB	Sweden	68	14
Maruichi Steel Tube Ltd	Japan	106	17
Zekelman Industries Inc	USA	185	19

Source: Company

Exhibit 159 - Capacity – An Overview

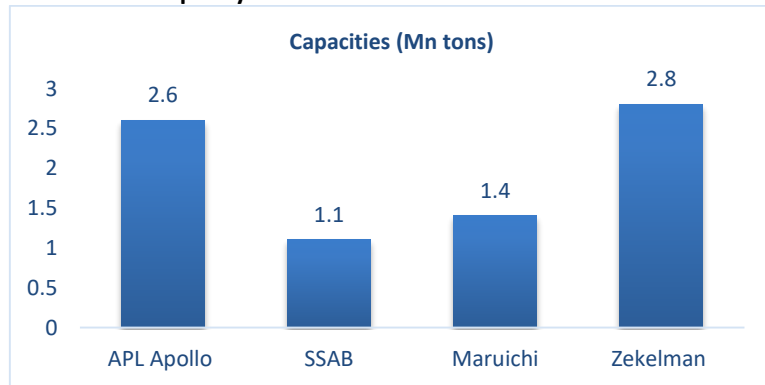
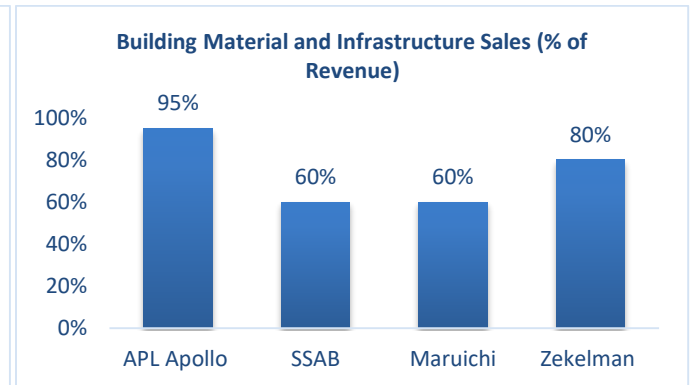
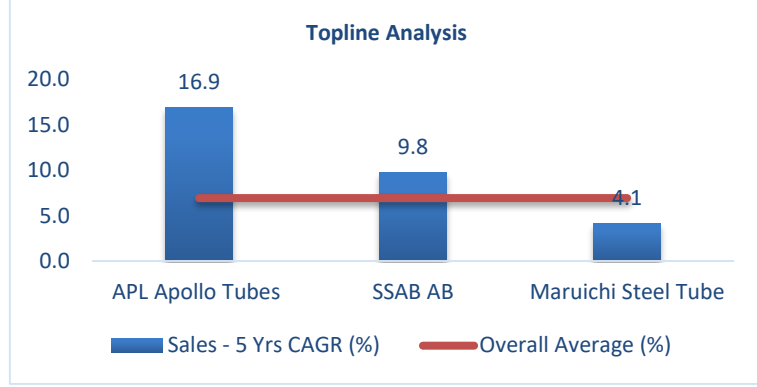


Exhibit 160 - Sales Contribution



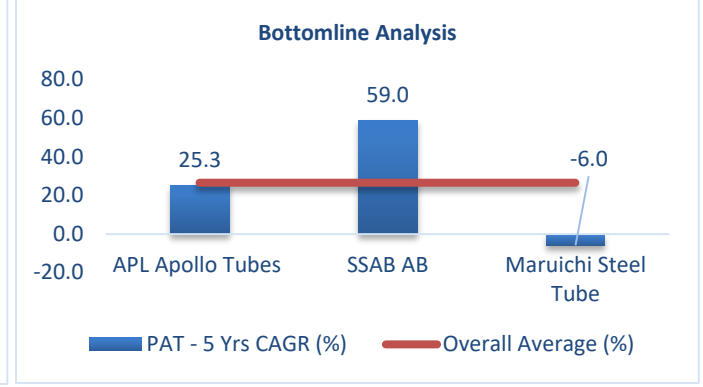
Source: Company & KJMC Research

Exhibit 161 - Analyzing sales growth



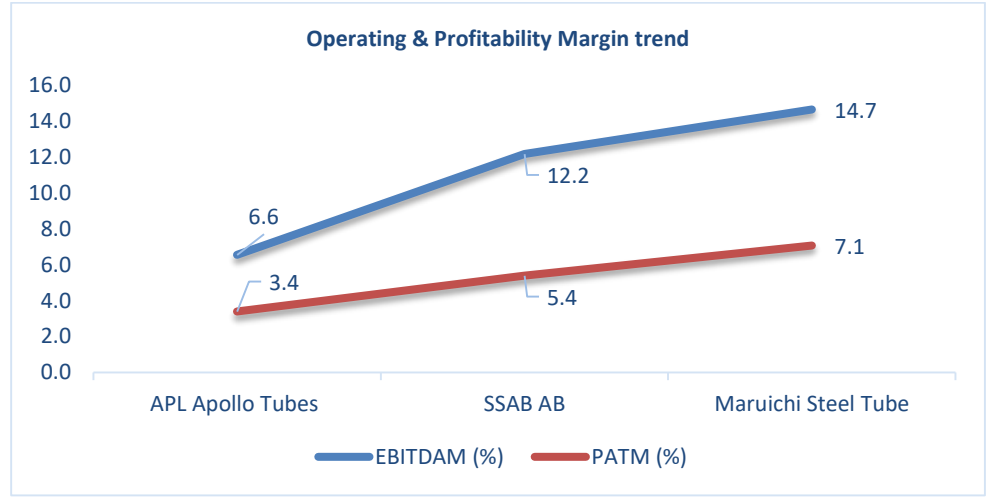
Source: Refinitiv & KJMC Research

Exhibit 162 - Analyzing PAT growth



Zekelman not considered due to not availability of data as the company is not listed

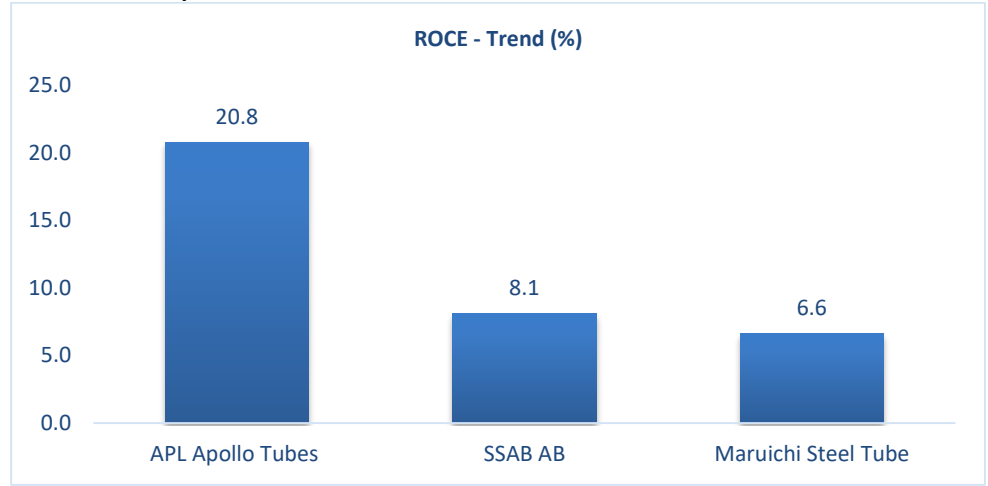
Exhibit 163 - The Margins trends from top to bottom



Source: Refinitiv & KJMC Research

Taken 3 yrs Average

Exhibit 164 - Capital allocation trend



Source: Refinitiv & KJMC Research

Taken 3 yrs Average.

Converted Catastrophe into Opportunity

Exhibit 165 - Gaining market share in challenging Environment

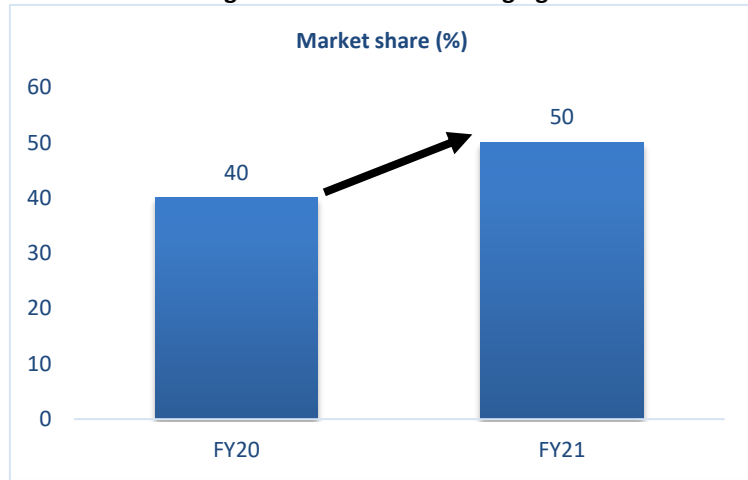
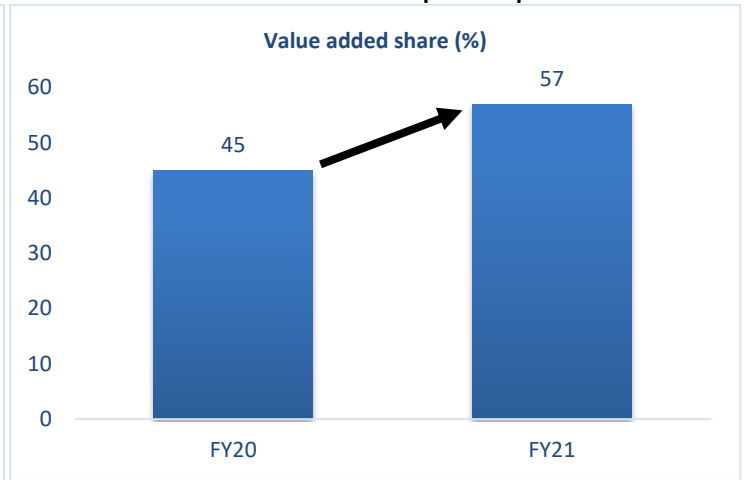


Exhibit 166 - Increase in value added product portfolio



Source: Company & KJMC Research

Exhibit 167 - Deleveraging balance sheet to continue

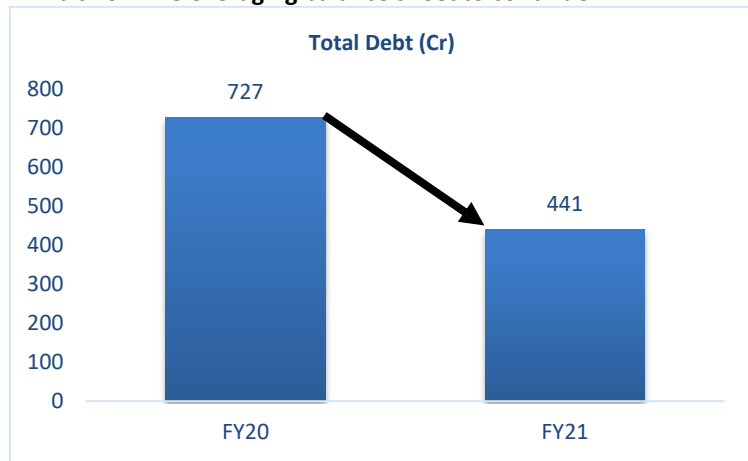
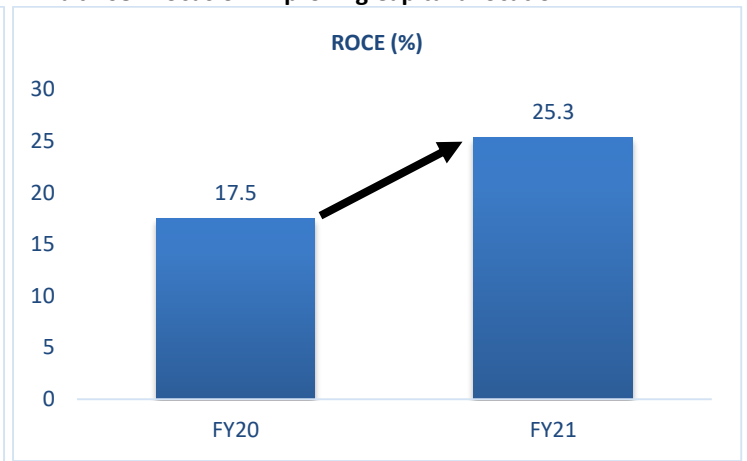


Exhibit 168 - Focus on improving Capital allocation



Source: Company, Refinitiv & KJMC Research

Exhibit 169 - Reducing Net working capital cycle

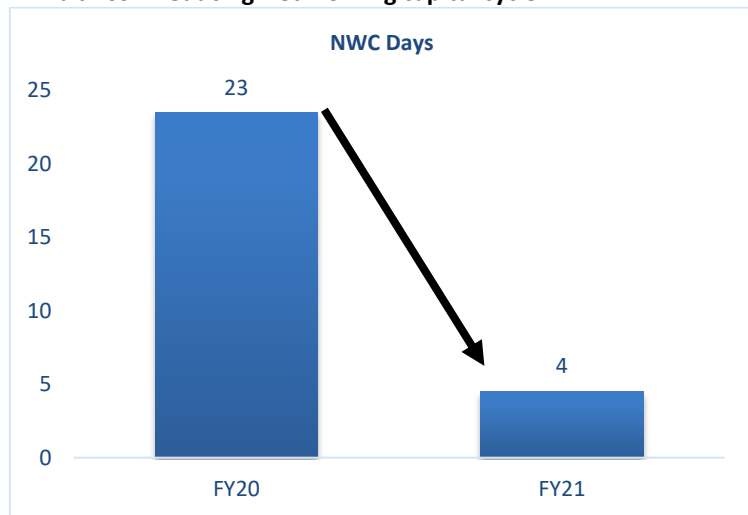
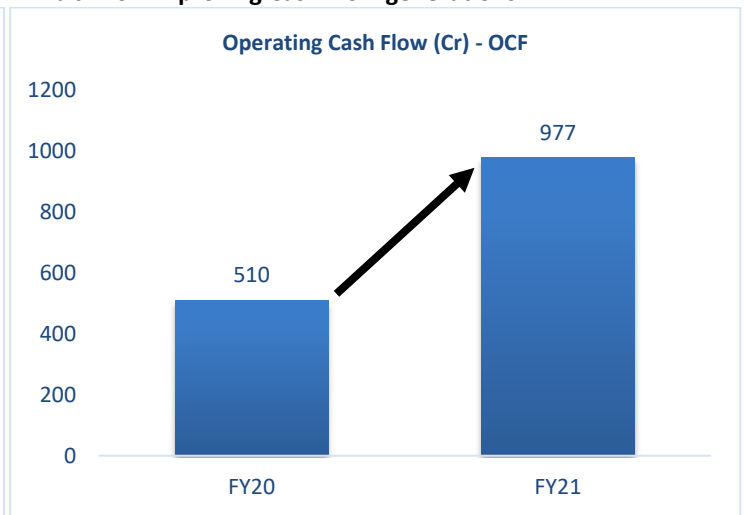


Exhibit 170 - Improving Cash Flow generations



Source: Company, Refinitiv & KJMC Research

The Company has expanded its market share by 25% in FY21 over the previous year in a challenging environment. Rising value added product portfolio sales mix constantly in the company resulted improving EBITDA/tons. The Company also focuses to deleverage its balance sheet with reduced capex and increase in cash flow generations. The company has shown well discipline increase in capital allocation backed by better optimization in asset churn and reducing working capital cycle due to shifting its sales policy from sales on credit to dealers in a Cash –and–Carry model. All these efforts, resulted in generating superior operating cash flow generations.

Benchmark Comparison with Peers & Nifty Metal Index (Relative Valuation)

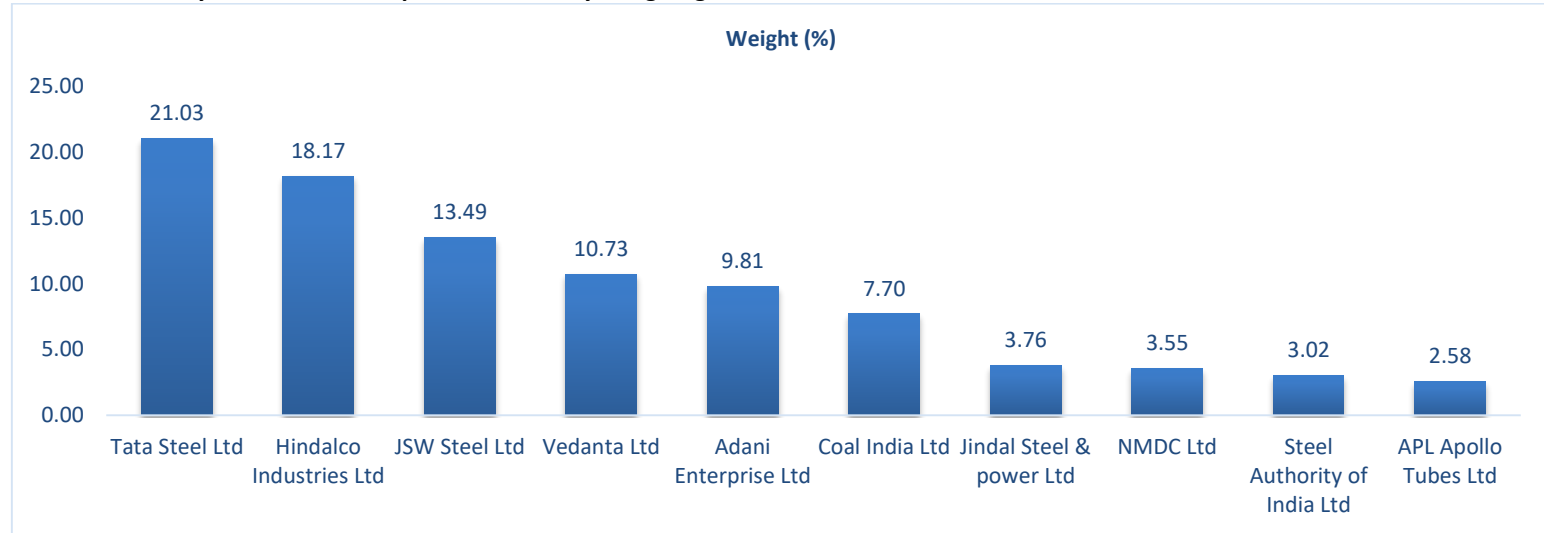
Companies	RIC Code	CMP * (Rs)	Mcap * (Bn)	5 yrs CAGR (%)			PATM (%)			ROCE (%)			PE (x)		
				Sales	EBITDA	PAT	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
Pipes & Fittings Peers															
APL Apollo Tubes Ltd	APLA.NS	936	234	16.9	20.3	25.3	5.1	5.5	5.8	30.1	33.1	34.6	35.8	25.1	18.1
Surya Roshni Ltd	SURR.NS	430	23	15.3	13.3	24.4	3.1	3.5	4.4	18.3	19.4	23.8	9.8	8.4	5.7
Hi-Tech Pipes Ltd**	HITC.NS	516	6.0	17.0	15.4	21.7	NA	NA	NA	NA	NA	NA	NA	NA	NA
Ratnamani Metals and Tubes Ltd	RMT.NS	2525	118	12.8	10.3	17.6	10.5	12.1	12.7	17.4	21.2	22.7	35.8	26.2	21.2
Astral Ltd	ASTL.NS	2027	407	13.9	25.0	29.1	11.7	12.6	13.2	27.5	29.2	30.9	80.3	63.7	50.5
Supreme Industries Ltd	SUPI.NS	2015	256	9.3	13.8	26.9	12.3	11.7	11.7	24.4	23.4	23.1	27.7	27.5	24.7
Finolex Industries Ltd	FINX.NS	156	97	3.8	15.1	30.4	16.4	14.0	18.5	25.9	18.4	18.0	13.1	16.2	12.3
Prince Pipes and Fittings Ltd	PRCE.NS	664	73	11.7	22.1	31.5	9.1	9.2	9.6	23.8	22.9	23.2	31.9	28.1	23.6
Mean			140	12.0	16.4	25.9	10.5	10.5	11.7	22.9	22.4	23.6	33.1	28.3	23.0
Median			97	12.8	15.1	26.9	11.1	11.9	12.2	24.1	22.1	23.2	29.8	26.8	22.4
Nifty Metal Index (Top Constituents by Weightage)															
Tata Steel Ltd	TISC.NS	1308	1597	8.8	14.8	21.3	16.1	10.7	10.6	27.2	17.7	15.5	4.3	6.9	7.2
Hindalco Industries Ltd	HALC.NS	593	1333	7.1	9.0	20.4	7.1	7.2	7.2	14.1	13.9	12.7	9.9	8.9	9.0
JSW Steel Ltd	JSTL.NS	695	1680	10.0	13.4	22.7	15.2	12.0	12.4	24.5	18.5	17.7	7.7	9.0	8.3
Vedanta Ltd	VDAN.NS	404	1503	5.1	1.3	21.5	15.6	16.9	17.3	25.8	25.8	23.0	7.5	6.7	7.1
Adani Enterprise Ltd	ADEL.NS	1832	2015	1.5	1.6	5.3	2.8	2.9	4.1	8.2	9.4	11.2	133.6	120.4	74.2
Coal India Ltd	COAL.NS	183	1127	2.3	13.0	8.2	15.9	15.7	15.2	40.1	39.8	34.9	6.7	6.2	6.1
Jindal Steel & Power Ltd	JNSP.NS	493	503	16.7	32.6	-	17.6	13.7	14.1	20.8	14.4	14.0	5.5	7.2	7.0
NMDC Ltd	NMDC.NS	152	444	14.9	25.1	25.3	37.5	33.5	30.4	34.7	23.5	19.9	4.5	6.6	6.4
Steel Authority of India Ltd	SAIL.NS	100	412	11.6	274.6	-	11.8	8.6	8.8	19.2	12.8	13.4	3.4	4.7	4.5
Mean			1179	8.7	42.8	17.8	15.5	13.5	13.3	23.8	19.5	18.0	20.3	19.6	14.4
Median			1333	8.8	13.4	21.3	15.6	12.0	12.4	24.5	17.7	15.5	6.7	6.9	7.1

Source: Company, Refinitiv & KJMC Research

*Price & Mcap updated as of 22nd March 2022

**NA = Not Available

Exhibit 171 - Nifty Metal Index – Top Constituents by Weightage



Source: NSE Indexogram

Updated as of February 28, 2022

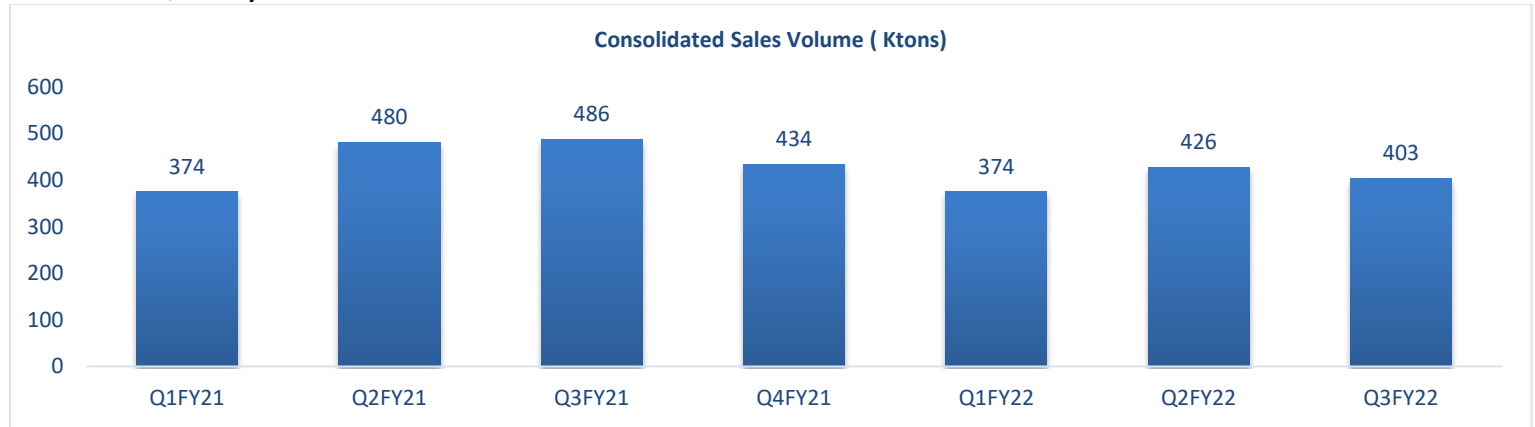
Quarterly Analysis

(Rs in INR Cr)

Parameters	Quarter ended 31 December 2021	Quarter ended 30 September 2021	Q-o-Q Growth (%)	Quarter ended 31 December 2020	Y-o-Y Growth (%)	Nine months ended 31 December 2021	Nine months ended 31 December 2020	Y-o-Y Growth (%)	Year Ended 31 Mar 2021
Total revenue from operations	3230.38	3083.93	5%	2600.92	24%	8848.59	5912.78	50%	8499.75
Total Exp.	3028.1	2861.73	6%	2368.81	28%	8169.45	5440.52	50%	7821.04
EBITDA	202.28	222.2	-9%	232.11	-13%	679.14	472.26	44%	678.71
EBITDAM (%)	6.26%	7.21%	-94 bps	8.92%	-266 bps	7.68%	7.99%	-31 bps	7.99%
Other income	7.91	11.35	-30%	8.34	-5%	29.49	23.3	27%	35.94
Depreciation & Amortisation	27.24	27.28	0%	26.24	4%	81.04	75.23	8%	102.77
Profit before Interest and Tax	182.95	206.27	-11%	214.21	-15%	627.59	420.33	49%	611.88
Interest	10.89	10.69	2%	14.69	-26%	34.38	51.74	-34%	66.09
Profit before tax (PBT)	172.06	195.58	-12%	199.52	-14%	593.21	368.59	61%	545.79
Tax expense	44.18	49.51	-11%	50.74	-13%	150.84	95.29	58%	138.09
Tax rate (%)	25.7%	25.3%	36 bps	25.4%	25 bps	25.4%	25.9%	-42 bps	25.3%
Profit after tax (PAT)	127.88	146.07	-12%	148.78	-14%	442.37	273.3	62%	407.7
PATM (%)	3.96%	4.74%	-78 bps	5.72%	-176 bps	5.00%	4.62%	38 bps	4.80%
EPS	4.6	5.24	-12%	5.27	-13%	15.69	9.64	63%	14.4
Equity Capital	50.02	49.96	0%	24.96	100%	50.02	24.96	100%	24.98

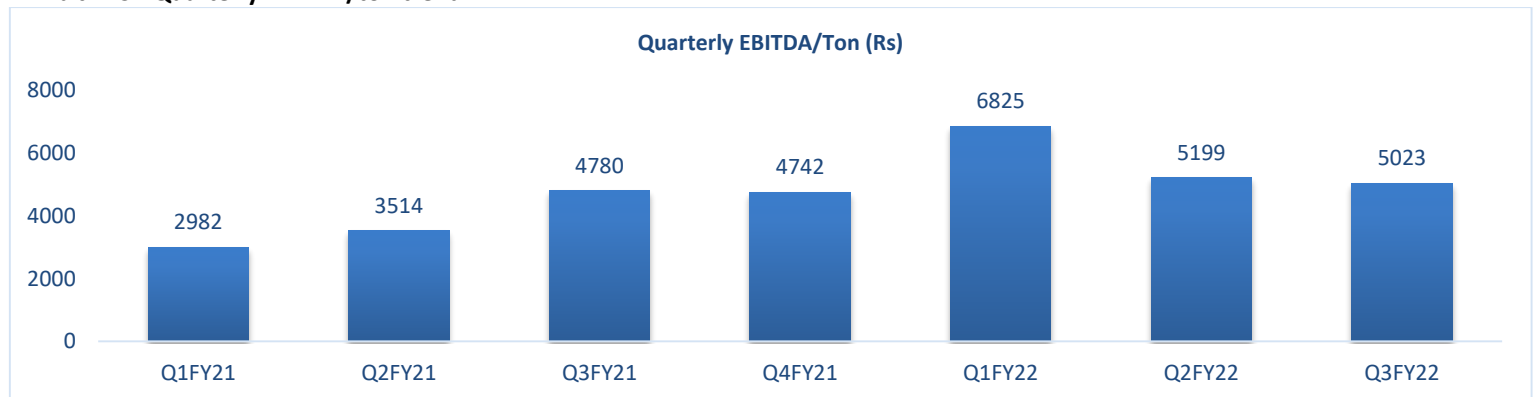
Source: Company & KJMC Research

Exhibit 172 - Quarterly Sales volume trend



Source: Company & KJMC Research

Exhibit 173 - Quarterly EBITDA/ton trend



Source: Company & KJMC Research

The Company has generated a robust shareholder return, with the stock price have grown at 57% CAGR during a 10 years period. We expect a brighter outlook for the company ahead as well.

Valuation & View

APL Apollo is one of India's leading branded steel products manufacturers being the largest structural steel tube producer in India and one of the largest players in the world with a 2.6 TPA capacity. It is a trusted brand by 800+ distributors, 50,000+ retailers, 2,00,000+ Fabricator, Architects & Engineers. With the highest number of products and SKUs for almost every application, lowest cost producer, with an industry leading market share at 50%, having technology advantage leading to pioneering solution, significant financial muscle by doubling its capacity every 3rd year, it has gained unmatched brand strength leading to top of the mind recall with end customers. The Company is having a competitive advantage in comparison with other steel tube producer such as – large capacity, better volume growth, superior brand recall, industry leading operating margins, large number of distributors and leverage free balance sheet have facilitated the Company to achieve a first mover advantage in the industry.

In the years gone by, the Company has grown its Revenue at a 10 years CAGR of ~23%, Volume at ~21%, EBITDA at ~22%, Profit at ~27% and Operating Cash Flow at ~44%. The Company's robust capital allocation which has improved from 19% in FY11 to ~26% in FY21 have resulted the extraordinary revenue and earnings growth throughout the period. In the Covid-19 pandemic, the company has converted the crisis into an opportunity where other smaller players are still struggling to improve their market share, revenue and earnings. The Company has gained market share around 10%, improved its contribution of value added products and margins, adopted Cash-and-Carry model which reduced its net working capital to 4 days from 23 days in FY20, strengthened its balance sheet by reducing its debts and also generated solid operating cash flow.

Exhibit 174 - Key Assumption (Consolidated)

(Rs in INR Cr)

Parameters	FY20	FY21	FY22E	FY23E	FY24E	Comments
Revenue	7,723	8,500	12,758	16,751	21,994	We have built in 30% volume growth over FY22-FY24E, with an increase in realizations. On the back of growing demand for structural steel tubes, adding new greenfield capacity to drive volume growth, sweating of assets, increasing brand strength, low per capita consumption of steel with APL Apollo has first mover advantage while being a No.1 leader with a focus on steel strength and building material applications, etc, are expected to drive sales growth.
(%) of Growth		10.1%	50.1%	31.3%	31.3%	
Volume (Mn tons)	1.63	1.64	1.76	2.29	2.97	
(%) of Growth		0%	7%	30%	30%	
Realizations (Rs)	47295	51828	72559	73284	74017	
(%) of Growth		10%	40%	1%	1%	
EBITDA	477	679	987	1,382	1,892	We expect the company's EBITDA to increase at a decent pace on back of focus on backward integration, improve value added product sales mix and due to better sales realizations, which will also improve its EBITDA/tons going ahead.
(%) of Growth		42%	45%	40%	37%	
Profit after tax (PAT)	256	408	655	932	1,292	With better volume growth, improving value added portion, better utilizations level, focus on cost optimization, continued strengthening of its balance sheet by reducing debt. These factors will drive the profitability growth.
(%) of Growth		59%	61%	42%	39%	
EPS (Rs)*	10	16	26	37	52	

Source: Company & KJMC Research

*Adjusted with Bonus Issue

Exhibit 175 - Valuation Snapshot

(Rs in INR Cr)

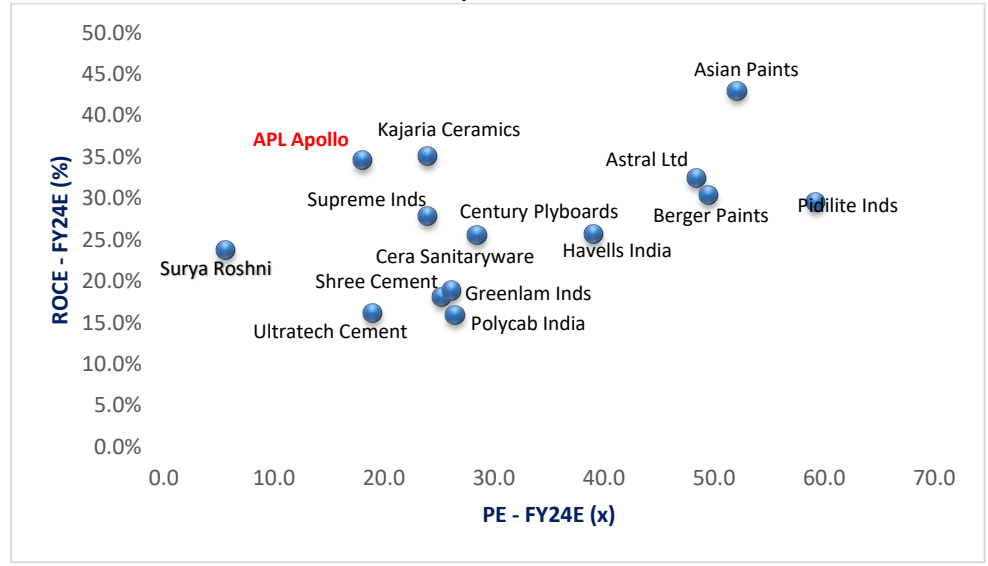
Valuation Method	Multiple	Value
PE Multiple	23	
Profit after tax (FY24E)		1,292
Equity value of APL Apollo Tubes Ltd		29,713
Shares Outstanding (O/s)		25.01
Target Price (Rs)		1188
CMP (Rs)		938
Upside (%)		27%

Source: KJMC Research

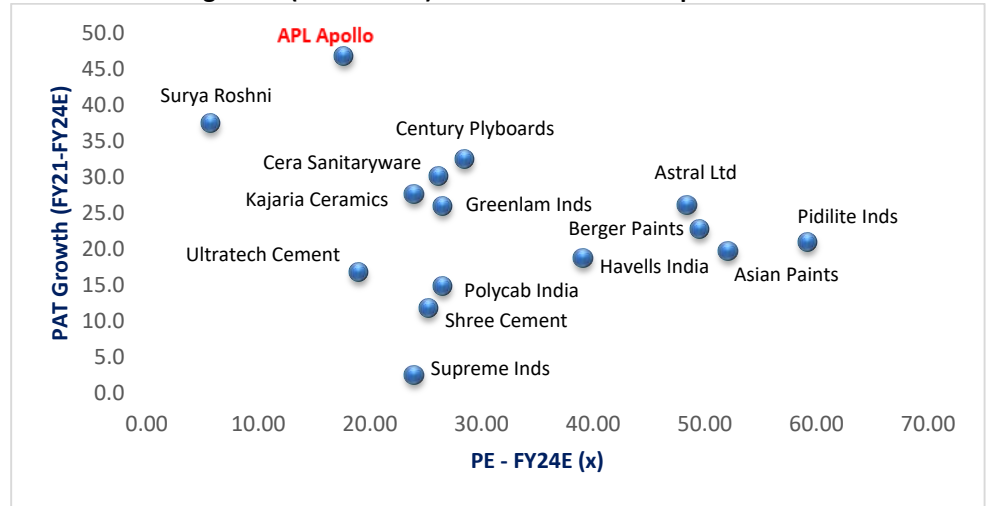
Exhibit 176 - Proven track record for building successful brands

Growth Parameters	Historical Analysis (FY07-FY21)				Future Analysis (FY10-FY24E)			
	Volume	Revenue	EBITDA	PAT	Volume	Revenue	EBITDA	PAT
3 yrs CAGR	10.7	9.0	31.4	65.8	29.9	31.3	38.4	40.4
5 yrs CAGR	15.2	16.9	20.3	29.3	16.1	29.9	41.1	49.9
7 yrs CAGR	16.5	18.9	24.4	36.2	17.5	26.1	31.2	41.9
10 yrs CAGR	20.8	22.3	21.8	26.5	18.2	24.7	29.6	39.7
12 yrs CAGR	23.2	26.9	29.3	26.9	19.3	24.3	25.2	30.6
15 yrs CAGR	26.8	29.4	31.6	34.1	22.9	29.1	31.6	30.9

Source: Company & KJMC Research

Exhibit 177 - ROCE and valuation scatter plot


Source: Company, Refinitiv & KJMC Research

Exhibit 178 - PAT growth (FY21-FY24E) and valuation scatter plot


Source: Company, Refinitiv & KJMC Research

View – APL Apollo is considered as market leader in the structural steel tube industry holding 50% market share. With the consumption of structural steel tubes in India is only about 4% as against global proportion of 10% indicating further scope for an increase in the consumption level. Evolving infra – construction activity, incorporating new Greenfield capacity with incremental capacity of 1.5 million tonnes, focus on margin expansion, reducing working capital and leverage position will strengthen its capital allocation which will result in strong revenue and earnings growth in the coming years. **We anticipate, APL’s Revenue/PAT/OCF to grow at a CAGR of 37/47/14% over FY21-24E, we initiate coverage on APL Apollo with a “BUY” recommendation with a Target price of Rs 1188 (upside of 27%) valuing the company at 23x historical average on FY24E EPS.**

Exhibit 179 - Last one year closing share price performance



Source: Company

Adjusted with Bonus Issue/ share

Risk Factors

- ✓ Slower recovery in the urban infra and real estate market due to inflation pressure
- ✓ Falling steel price could result in lowering EBITDA/tons
- ✓ Steel price volatility could impact the Company’s earnings and growth
- ✓ Delays in capacity expansion.

Ability to Outperform in the Long Run

Exhibit 180 - APL Apollo Vs S&P BSE 500 Vs S&P BSE Midcap Vs Nifty Metal Index

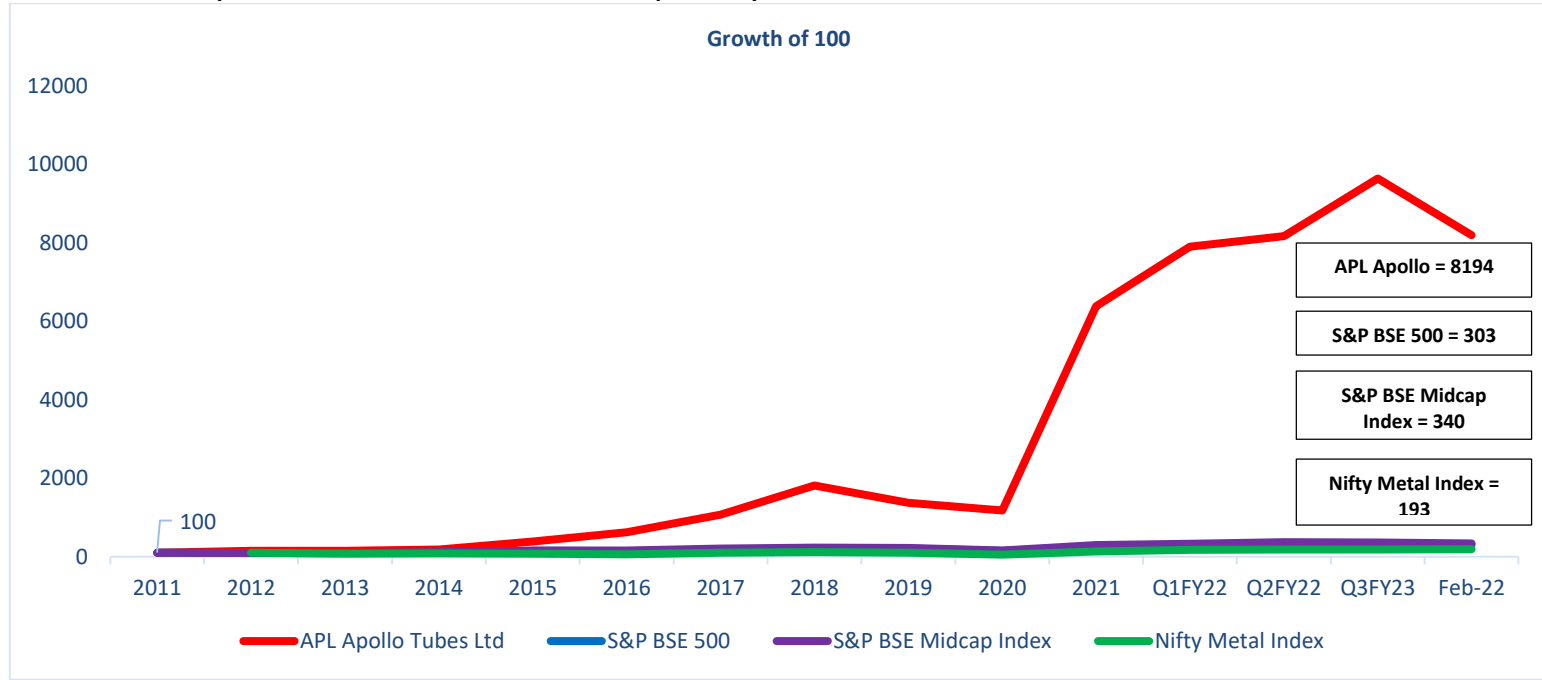
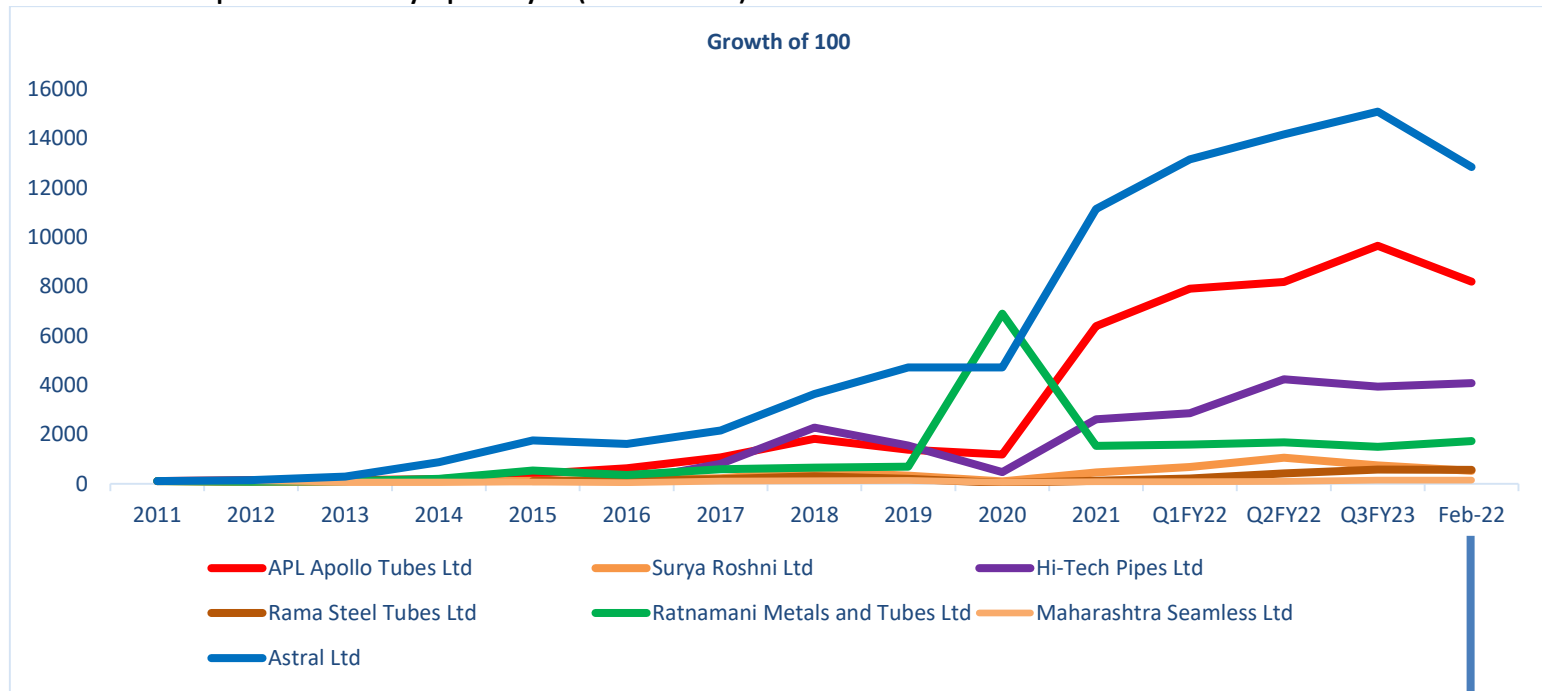


Exhibit 181 - APL Apollo Vs Other key Pipes Players (Iron + Plastics)



APL Apollo = 8194
Surya Roshni = 525
Hi-tech Pipes = 4073
Rama Steel Tubes = 558
Ratnamani Metals = 1722
Maharashtra Seamless = 145
Astral Ltd = 12829

Board of Directors



Shri Sanjay Gupta
Executive Chairman



Shri Ashok K. Gupta
Non executive Vice Chairman



Shri Vinay Gupta
Director



Shri Romi Sehgal
Director



Ms. Neeru Abrol
Independent Director



Shri Anil Kumar Bansal
Independent Director



Shri Abhilash Lal
Independent Director



Shri Virendra Singh Jain
Independent Director

Exhibit 182 - Brief Overview:

Name	Designation	Particulars
Shri Sanjay Gupta	Executive Chairman	With 24 years of experience in diverse steel industry segments. Under his visionary and dynamic leadership, the Company has evolved and developed from Steel tube manufacturer into a global leader of branded steel products. Mr. Gupta has inherited excellent entrepreneurship skills from his late father (Shri Sudesh Gupta) with his leadership the Company continues to grow exponentially towards becoming an organisation of international repute.
Shri Ashok K. Gupta	Non-executive Vice Chairman	He holds a Master's degree in Physics and completed his PGDBA from AIMA. Being an Industry veteran, having over three decades of experience in working in critical management positions in reputed organizations like SAIL, Jindal, Bhushan Steel, the L.N. Mittal Group and Shalimar Paints. He has been the driving force for propelling the growth engine and yielding profitable results for the company.
Shri Vinay Gupta	Director	With 21 years of Industry experience, he has in-depth knowledge in manufacturing and trading of pipes, tubes, sheets and other steel products. Assigned responsibility of driving the company's pre-galvanized and international market businesses.
Shri Romi Sehgal	Director	He is a science graduate and has worked in managerial and leadership positions in well renowned companies such as Atlas Steel Tubes, Atma Steel Tubes, Bharat Steel Tubes and for 13 Years in Gallium Industries. He has made an excellent contribution to the Steel and Tubes Industry for more than three and half decades, right from designing and manufacturing of tubes mills to putting up greenfield projects etc.
Ms Neeru Abrol	Independent Director	Ms Abrol (Chartered Accountant) has about four decades of rich professional experience in various sectors and positions. Worked for 26 years with Steel Authority of India at various critical management positions, she is also the former Chairperson and Managing Director and Director, Finance of National Fertilizers. Currently, she is serving as Director at TCNS Clothing Co, Apollo Tricoat, Apollo Pipes, Stecol International, etc. Also associated with certain NGOS. Ms Abrol is a recipient of multiple awards over her illustrious career, including twice 'Business Achiever' by ICAI, Outstanding Woman Manager in Public Sector by SCOPE.
Shri Anil Kumar Bansal	Independent Director	A Former executive director of the Indian Overseas Bank, he brings four decades of rich experience in the banking industry. He supports the organization in undertaking key financial decisions. Currently, he is serving as the Director of Rockland Fin stock, IFCI Venture Capital Funds, GVFL Trustee Co Pvt and Apollo Tricoat Tubes Ltd. He is also former director of Canara HSBC Oriental Bank of Commerce life Insurance Company, CARE Rating and NABARD.
Shri Abhilash Lal	Independent Director	He has led institutions across business development, strategy as well as operations. A mechanical engineer and postgraduate from IIM Bangalore. He has 30 years of professional experience in senior roles across financial services, including banking, consulting, real estate, private equity and restructuring.
Shri Virendra Singh Jain	Independent Director	Member of Public Enterprises Selection Board (PESB), which has been set up by the Government with the objective of evolving a sound managerial policy for central public sector enterprises and to advise the Government on appointments to top management posts at the board level. Served as the Chairman of Steel Authority of India (SAIL), Managing Director of Jindal Stainless and held the post of Executive Director of Indian Oil Corporation (IOC). Also served as Independent Director on the boards of Rashtriya Ispat Nigam, Essar Oil and National Multi-Commodity Exchange of India. Currently, he is on the board of Dalmia Bharat. He is a fellow member of the Institute of Chartered Accountants of India as well as the Institute of Cost Accountant of India.

Source: Company

Key Leadership Team:



Shri Deepak Goyal
Chief Financial Officer



Shri Arun Agrawal
Chief Operating Officer



Shri Anubhav Gupta
Chief Strategy Officer

Exhibit 183 - Brief overview

Name	Designation	Particulars
Mr. Deepak Goyal	Chief Financial Officer	Extensive experience of over 18 years of exemplary career, out of which he has devoted 15 years exclusively to the Steel Industry. He has been associated with APL Apollo Tubes for the last 5-6 years. He leads an efficient team and oversees budget planning funds management, treasury, and taxation matters.
Mr. Arun Agarwal	Chief Operating Officer	A Chartered Accountant, Arun has 20 years of professional experience in the Steel Industry and has been associated with the Company since 2009. He has been actively involved in all strategic decision making within the group and has over the years grown with APL Apollo progressively shouldering higher responsibilities. He has been assigned with the responsibility of driving all the plants.
Mr. Anubhav Gupta	Chief Strategy Officer	He joined the Company in 2019 with a focus on strengthening the strategic capabilities, while also identifying and evaluating innovative opportunities for APL Apollo in the longer run. He also advises on corporate development, communications and marketing of the APL Apollo brand, creating a strong positioning of the Company within the domestic and global markets. He has over 12 years of experience in fundamental research and analysis in the investment world, including leadership position across investment advisory and investment banking firms.

Source: Company

Exhibit 184 - Other details

Scope	Entity
Statutory Auditors	Deloitte Haskins & Sells
Cost Auditors	R.J. Goel & Co
Secretarial Auditors	Parikh & Associates
Internal Auditors	Ernst & Young LLP

Source: Company

Exhibit 185 - Top Key Shareholders

Investor Name	% Outstanding	Position (M)
APL Infrastructure Pvt. Ltd.	31.17%	78.00
Kitara PIIN 1001	7.55%	18.91
Capital Research Global Investors	5.91%	14.79
Kasikorn Asset Management Co., Ltd.	3.40%	8.52
Sampat (Sameer Mahendra)	2.30%	5.76
Gupta (Veera)	2.17%	5.42
DSP Investment Managers Pvt. Ltd.	2.02%	5.05
The Vanguard Group, Inc.	1.97%	4.92
ICICI Prudential Life Insurance Company Ltd.	1.92%	4.81
Kotak Mahindra Asset Management Company Limited	1.66%	4.16
Tata Asset Management Ltd.	1.30%	3.26
Caisse de Depot et Placement du Quebec	1.20%	3.00
Goldman Sachs Asset Management International	1.16%	2.91
FIL Investment Management (Singapore) Ltd.	0.94%	2.35
L&T Investment Management Limited	0.85%	2.13
UTI Asset Management Co. Ltd.	0.68%	1.71
EFG Asset Management (UK) Limited	0.62%	1.54
Gupta (Rahul)	0.60%	1.50
Jefferies GmbH	0.52%	1.29
IDFC Asset Management Company Private Limited	0.49%	1.22
Norges Bank Investment Management (NBIM)	0.46%	1.15
Blackrock Institutional Trust Company, N.A.	0.46%	1.14
Gupta (Rohan)	0.45%	1.13
Dimensional Fund Advisors, L.P.	0.42%	1.06
PGIM India Asset Management Private Limited	0.30%	0.76
HSBC Global Asset Management (India) Private Limited	0.30%	0.75
Principal Asset Management Company (Asia) Ltd.	0.28%	0.70
William Blair Investment Management, LLC	0.26%	0.65
Mobius Capital Partners LLP	0.24%	0.60
Rainier Investment Management, LLC	0.22%	0.55
Fidelity International	0.18%	0.45
ICICI Prudential Asset Management Co. Ltd.	0.17%	0.43
Redwheel	0.16%	0.39
BOI AXA Investment Managers Private Limited	0.15%	0.37
Gupta (Sanjay)	0.14%	0.35
California Public Employees' Retirement System	0.14%	0.35
Florida State Board of Administration	0.12%	0.30
Blackrock Advisors (UK) Limited	0.11%	0.29
Bansal (Shiv Kumar)	0.11%	0.28
Edelweiss Asset Management Ltd.	0.10%	0.26
Mellon Investments Corporation	0.09%	0.22
FIL Investment Management (Australia) Limited	0.08%	0.19
Agarwal (Arun)	0.08%	0.19
Alliance Bernstein L.P.	0.08%	0.19
JPMorgan Asset Management (Asia Pacific) Limited	0.07%	0.18
State Street Global Advisors (US)	0.06%	0.16
Goldman Sachs Asset Management (India) Private Ltd.	0.06%	0.16
Goldman Sachs Asset Management, L.P.	0.06%	0.16
Principal Global Investors (Hong Kong) Limited	0.05%	0.13
Sehgal (Romi)	0.05%	0.12

Source: Refinitiv (Updated on 22/03/2022)

Financial Statements

Profit & Loss

(All amounts in Rupees Cr, unless otherwise stated)

Particulars	FY20	FY21	FY22E	FY23E	FY24E
Net Sales	7723	8500	12758	16751	21994
Other Income	22	36	37	49	64
Total Income	7745	8536	12795	16800	22058
Cost of Goods sold	6579	7165	10863	14180	18546
Gross Margin	1145	1335	1895	2571	3449
Employee Benefit Expenses	142	130	162	209	271
Other Expenses	525	527	746	980	1287
EBITDA	477	679	987	1382	1892
Depreciation And Amortisation Expenses	96	103	117	154	202
EBIT	296	546	877	1248	1729
Finance Cost	107	66	29	29	24
EBT	296	546	877	1248	1729
Tax Rate (%)	13.6%	25.3%	25.3%	25.3%	25.3%
Tax Expenses	40	138	222	316	438
Net Income	256	408	655	932	1292
Number of Shares Outstanding*	25.01	25.01	25.01	25.01	25.01

*Adjusted with bonus issue

Key Balance Sheet

Particulars	FY20	FY21	FY22E	FY23E	FY24E
Share Capital	24.9	25.0	50.0	50.0	50.0
Reserves and Surplus	1427	1808	2403	3295	4541
Total Equity	1452	1833	2453	3345	4591
Total Loan Funds	728	442	431	356	281
Total Non-Current Liabilities	185	204	204	204	204
Trade payable	764	786	804	1049	1372
Other Financial liabilities	114	91	163	214	265
Other Current liabilities	17	35	40	53	76
Income tax liabilities	4	7	7	7	7
Short Term Provisions	1	1	1	1	1
Total Current Liabilities	901	920	1015	1324	1722
Total Liabilities & Equity	3266	3399	4104	5230	6799
Inventory	784	760	893	1165	1524
Trade receivable	476	131	210	229	241
Cash And Cash Equivalent	44	16	542	891	1980
Bank balance other than above	1	342	0	0	0
Short Term Loans And Advances	1	1	1	1	1
Other financial/ Current Assets	141	149	229	300	391
Total Current Assets	1450	1399	1875	2587	4138
Tangible assets	1471	1501	1731	2145	2162
Total Non-Current Assets	345	498	498	498	498
Total Assets	3266	3399	4104	5230	6799

Source: Company & KJMC Research

Cash Flow Statement

Particulars	FY20	FY21	FY22E	FY23E	FY24E
Net Cash from Operating Activities	510	977	606	1060	1454
Net Cash from Investing Activities	-435	-647	-347	-568	-220
Net Cash flow from Financing Activities	-78	-359	-75	-144	-145
Net Changes in Cash & Cash Equivalent	-3	-28	184	349	1089
Add: Opening Cash & Cash Equivalent	47	44	358	542	891
Closing Cash & Cash Equivalent	44	16	542	891	1980

Key Ratios

Parameters	FY20	FY21	FY22E	FY23E	FY24E
Per Share Data (Rs)					
EPS	10.2	16.3	26.2	37.3	51.7
DPS	0.0	0.0	1.4	1.6	1.9
Book Value	54	68	93	128	178
Margins (%)					
EBITDAM	6.18	7.99	7.7	8.3	8.6
PATM	3.31	4.80	5.1	5.6	5.9
Return Ratios (%)					
ROE	17.6	22.2	26.7	27.9	28.1
ROCE	17.5	25.3	30.1	33.2	34.7
Working Capital (Days) Analysis					
Inventory	37	33	30	30	30
Debtors	23	6	6	5	4
Creditors	36	34	27	27	27
Cash Conversion Cycle (Days)	23	4	9	8	7
Valuation (x)					
PE	91.5	57.4	35.7	25.1	18.1
EV/EBITDA	49.3	34.7	23.8	17.0	12.4
P/BV	17.3	13.8	10.1	7.3	5.2

Source: Company & KJMC Research

Contact name

Mr. Girish Jain	Executive Director	jaingirish@kjmc.com	2288 5201-02 (B)
Mr. Suresh Parmar	A.V.P. – Institutional Equities	suresh.parmar@kjmc.com	22820388
Mr. Yogesh Purohit	Manager – Institutional Dealing & Sales	yogesh.purohit@kjmc.com	22820388
Retail Team	Dealing Desk	retail@kjmc.com	22885206/35004464-65

Recommendation Parameters

	Expected returns in absolute terms over a one-year period
Buy	- appreciate more than 20% over a 12- month period
Hold / Neutral	- appreciate up to 20% over a 12- month period
Reduce	- depreciate up to 10% over a 12- month period
Sell	- depreciate more than 10% over a 12- month period
Not Rated	- Not have any estimates or recommendations

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KJMC Capital Market Services Limited

Member

National Stock Exchange of India Ltd (CM, WDM, Derivatives)
BSE Limited (CM, WDM)

MCX Commodity Exchange of India Ltd (Commodity)
Metropolitan Stock Exchange of India Ltd (Currency)

SEBI Regn No – INZ000221631

Mutual Fund's AMFI No

: ARN – 2386

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For further details: visit our website – www.kjmcfinserv.com
