



Apollo TriCoat

THREE STEPS AHEAD

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APOLLO TRICOAT TUBES LIMITED



ANNUAL REPORT 2017-18

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THREE STEPS AHEAD



We are living in exciting times today – with global economy rebounding to the highest growth levels since 2011 and India continuing to reign as the world's fastest growing economy. The excitement continues as India's GDP has been forecasted to take over that of China in 2018 as well as 2019*.

The growth saga continues, with domestic steel industry growing at healthy pace – production of crude steel growing at 4.8% and finished steel at 5.3% and India standing out to be a net exporter of finished steel in FY18. With the Government's thrust on boosting the infrastructural development and 'Make in India' initiative, smart cities, airports, new routes and gas pipelines, the steel industry is all set for rosier days ahead.

For Apollo TriCoat, FY18 was a year of decisive changes – beginning from innovating a TriCoat product and ending the year with the commencement of a new plant setup. Since July 2018, we have come up with a new corporate identity – Apollo TriCoat Tubes Limited and adopted a new tag line – "Three Steps Ahead". This tagline was carefully drafted, after a thoughtful

deliberation and a 360 degree SWOT analysis. The results revealed that we are ahead of our competition in three ways – our products, our selling techniques and our organizational values. Our products are unique in a way that they are introduced for the very first time in the Indian markets. Currently, the Indian market is serviced by products bearing only single layer of coat. A tricoat product would enhance the longevity of the product. Our selling techniques involve steps like creating awareness amongst the customers about the benefits of our products, which would not only give them the urge to buy our products but also further fortify our position in the market. It would further help us premiumise our products rather than pushing for sales at competitive rates. As far as the organisational values are concerned, we have a set of core values that are embedded in our DNA and guide us in day-to-day operations and forms the base of our work culture.

With these steps that have taken us three steps ahead, we envision to create an impeccable value for all our shareholders, who have exhibited their trust and continue to support us in all our endeavours...

*Source: IMF's world Economic Outlook, July 2018

WE ARE NOW APOLLO TRICOAT TUBES LIMITED



Apollo TriCoat

THREE STEPS AHEAD

We are now Apollo TriCoat Tubes Limited – India's first TriCoat tubes manufacturers. In an attempt to rev-up our company, we have rechristened our name, which was initially Best Steel Logistics Limited and changed the nature of our business to Manufacturing of TriCoat tubes.

We have expertise in manufacturing TriCoat Tubes, a steel tube product with combination of three corrosion resistant layers viz. Paint, Zinc and Polyester coat. Our product is eco-friendly and free from Cadmium, lead and hexavalent chromium. TriCoat tubes are widely used for electrical conduits and appliances and green houses in the first world countries like USA, Canada and Australia. India being a developing country is in the need of a revolutionary product like this in the electrical appliances and also in the

greenhouse. This product can bring down the cost of the greenhouses drastically and also increase the longevity at the same time. In case of the Electrical conduits, this product is a more fire resistant and doesn't melt as fast as PVC conduits and hence in case of fire, will don't produce toxic smoke which becomes a major reason for life loss.

We have established our first green field state of the art plant in Malur Industrial Area, Near Bengaluru, Karnataka with an installed capacity of 50,000 MT per annum. The TriCoat tubes are made from Galvant Process, which we have procured from USA and the other tube making machineries are from Italy.

We have adopted the ideology of "Three Steps Ahead" which is our Tagline as well.

We have committed our focus on three important elements:

- Product
- Value selling techniques
- Organizational values

We have created a niche for our brand and have perked up our brand-value furthermore, to imbibe these elements in our DNA.

Interestingly, our past experience and learning has helped us create a value chain for the organization and all our stakeholders - be it Shareholders, Buyers, Suppliers, Employees. Moreover, in order to become a long-term winner, we have further leveraged our stance on cost-effectiveness and efficiency.

Our Strengths



LEADERSHIP WITH INTEGRITY

We not only believe in leading the segment but also believe in it by using fair means. We believe with our leadership style, managers and employees, products and customer satisfaction will lead to increase in profits. We lead with developed and refined ideas for the future.



INNOVATIVE ENGINEERING

We believe in applying our technology to manufacture a new product. The new product should not only provide a few additional features but should be also something new. We continuously look forward to come up with these innovations. As the new products are innovative they have a cutting edge over its competitors.



HIGH QUALITY PROFESSIONALS

We believe that work is done best by the professionals. As the professionals have best knowledge of the work they are accomplishing. Apart from knowledge they have codes of conduct, standards of practice and moral obligations. With the efforts of these professionals we would be able to deliver outstanding results.



FOCUS ON OUR CLIENTS

We are client-focused which means believing in the superiority of client relationship strategies over competitor-focused strategies; the medium-and long-term over successive short-terms and truth-telling over spinning. We believe on focusing on our clients since we want to retain our clients. We take care of them by focusing on client needs. We believe that one of the major factors contributing to the success is serving them better than the competitors. We serve our clients by gaining their trust. Once a trust of client is being established it leads to the loyalty.



LEADERSHIP TEAM

We believe a strong leadership plays a key role in the functions of the company. We have benefitted from an experience leadership team. Ours is a strong, active and independent board members team having a rich experience. With our strong leadership team we share common values and common goals. Our team members work cooperatively and supportively to advance its purpose, achieve its goals, address challenges and grow our company.



VISION

- To be amongst India's most reliable tube making companies
- To create a brand, which is known for its trust
- To create an organization with ethical and modern working culture
- To enhance business visibility across newer markets
- To create sustainable value for all stakeholders

**PRODUCT PAR
EXCELLENCE**



"We have launched TriCoat Tubes, a product that is a perfect blend of coating : paint, zinc and polyester."

On January 2018, Sh. Rahul Gupta made an open offer for acquiring shares of Best Steel Logistics Limited and become the Promoter & Managing Director of the Company. Coming with an experience of more than 7 years in Steel market, he has introduced a new business of manufacturing of TriCoat Tubes in three variants - SureCoat, DuraCoat and SuperCoat, with the advanced Galvant technology. This technology and the product has been introduced for the first time in India. The technology has been obtained from the USA, to manufacture tubes with a triple layer of protective coating, i.e., paint, zinc and UV organic coating. It is an eco-friendly product that is free from lead, cadmium and hexavalent chrome. These coatings enhance the life of the product.

Progressing further, we decided to change the nature of business to manufacturing and so changed the name of the company to 'Apollo TriCoat Tubes Limtied'. The company has invested ₹ 100 Crores in setting up a plant in Malur, Bangalore with an initial capacity of 50000 MT per annum and which is expected to be commissioned by October 2019. All the necessary Government approvals are already in place and the work is in full-swing, for timely commencement of commercial production. Being a Greenfield project, the plant is equipped with the best-in-class technologies and state-of-the-art equipment, in order to produce world-class quality products and be both cost-effective and resource-efficient in long term. The Management is working relentlessly, to acquire the

best talent in the industry; and establish the best practices in operations, fundamentals and governance. The Company is working towards launching the product in the market with brand name "Apollo TriCoat", with structured marketing plans and is trying to follow an approach of Value Creation for customers. The brand building activity will majorly done through Below the Line branding techniques initially, focusing more towards personalized interactions with major buyers, which will be followed by other branding activities. We are cognizant of nature and ensure that only the pollution-free processes and sustainable manufacturing practices are undertaken for production, to benefit all the stakeholders.

Corrosion Resistant Zinc Coating

An even layer of 99% zinc with thickness of 185 GSM is applied during manufacturing to provide corrosion resistance. The Galvanization is done on line during the process of manufacturing of the pipe. This process yields a thinner zinc iron alloy layer allowing for a thicker layer of pure zinc giving better and longer lasting protection.

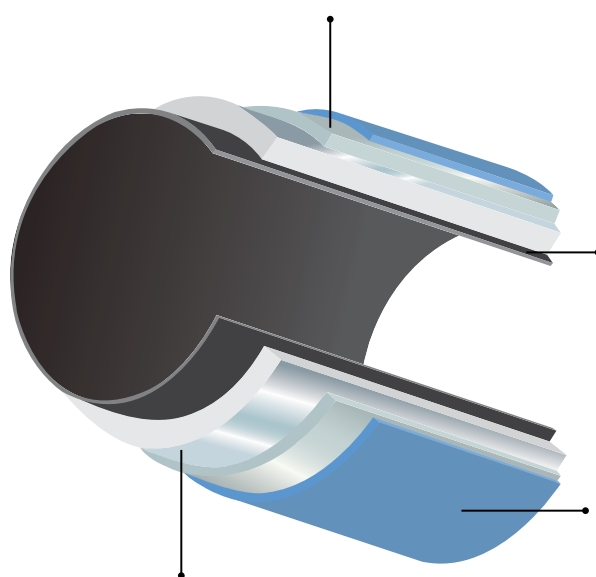
Corrosion resistant Interior Coating

TriCoat has a zinc rich polymer resin paint on the interior surface of the tube which protects the tube from interior corrosion.

Polymer Coating

Clear polymer coating (12.5 micron thick) is been applied over the zinc layer. This polymer coating provides multiple benefits

- Smooth, lustrous and uniform finish
- The polymer surface finishing allows for the application of various different surface finishing with ease.
- It also helps in extending the life
- to the steel section by providing
- protection to the zinc coating.



Steel Tubing

Our product boasts superior yield and tensile strength of 350 Mpa and 380 Mpa respectively. this gives a better strength to weight ratio.

SALES STRATEGY



We have always taken a serious cognizance of the fact that sales play an important role in making any business a roaring success, therefore, we have always tried to meet our customer's requirement with perfection. In order to serve our customers better, we have kept innovation and technology at the core of our organization and have functioned accordingly.

We have introduced the best of technologies in our product offerings and have tried to earn the trust of the customers by giving them service par excellence. Our selling technique is a perfect amalgamation of value selling and value-realisation. We majorly focus on value selling and avoid the lure of volume selling, as we value quality over quantity.

We firmly believe in not pushing our products into the market at cheap prices, which may lead to creating an unstable market. Rather, we trust in creating awareness about our products in the market and letting the customer know about its immediate and long-run benefits. This exercise would not only help establish our product's premium positioning in the market but also create an awareness amongst the consumer, who would buy our products, thus, recognizing its worth.

Therefore, in the long-run, we would end up creating a premium and niche market for our products. Our commitment

towards excellence has helped us create a value chain for the organization, shareholder, buyers and suppliers. Apart from value selling, we also focus on customer satisfaction, intensifying our BTL activities and adopting the one-on-one approach rather than ATL activities. Our selling techniques also include being cost-effective and building a strong relationship with the customers and portraying our brand as the most customer-friendly brand in the country.



"We have kept innovation and technology at the core of our organization and functioned accordingly."

ORGANIZATIONAL VALUES

