

29th April, 2022

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001.
Scrip Code: 532830

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051.
Trading Symbol: ASTRAL

Dear Sir/Madam

Sub : Outcome of Board Meeting / Acquisition

We are pleased to inform that as a part of Company's strategy to expand its product portfolio under building material segment, the Board of Directors of the Company (hereinafter referred as "Astral") in their meeting held today approved to acquire 51% controlling equity stake in Operating Paint Business of Gem Paints Private Limited. Accordingly, Astral has today entered into definitive agreements with Gem Paints Private Limited and its shareholders.

Astral shall initially invest Rs. 194 Crores in Gem Paints Private Limited by subscribing to Optionally Convertible Debentures equivalent to value of 51% equity stake of Operating Paint business of Gem Paints. The Operating Paint Business of Gem Paints Private Limited is proposed to be demerged to a wholly owned subsidiary of Gem Paints Private Limited viz. Esha Paints Private Limited. Upon the completion of demerger, Astral will acquire 51% equity shares of Esha Paints Private Limited against the redemption of OCDs. The name of Esha Paints Private Limited is proposed to be changed to Gem Paints Private Limited under the demerger scheme.

The balance 49% equity stake will be acquired by Astral over a period of 5 years in tranches as per the Share Purchase Agreement entered between the parties.

We enclose herewith;

1. The disclosure u/r 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
2. Press Release

Kindly take the same on records.

Thanking you

Yours faithfully
For Astral Limited



Krunal Bhatt
Company Secretary



The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 are given as under:-

Name of the target entity, details in brief such as size, turnover etc.	Gem Paints Private Limited is a company engaged into the business of manufacturing and supply of various types of paints, varnishes, coatings, products related to home décor, industrial paints and as dealers in all types of chemicals, essences, enamels, polishes, distempers, colours etc.
Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	No
Industry to which the entity being acquired belongs	Paint (Building Material)
Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	To expand the product line of the Company under building material segment.
Brief details of any governmental or regulatory approvals required for the acquisition	Not applicable
Indicative time period for completion of the acquisition	The acquisition of 51% equity stake in the Operating Paint Business of Gem Paints Private Limited is expected upon completed upon completion of demerger i.e by 31 st March, 2023 (tentative).
Nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration
Cost of acquisition or the price at which the shares are acquired	Rs. 194 Crores for 51% equity stake of Operating Paint Business of Gem Paints to be acquired post demerger of Operating Paint Business of Gem Paints Private Limited.

Astral Limited (Formerly known as Astral Poly Technik Limited)

Registered & Corporate Office: 207/1, 'Astral House', B/h Rajpath Club, off S. G. Highway, Ahmedabad - 380059, Gujarat, India.

P: +91 79 6621 2000 | F: +91 79 6621 2121 | W: astralpipes.com | CIN: L25200GJ1996PLC029134



<p>percentage of shareholding / control acquired and / or number of shares acquired;</p>	<p>Pursuant to Optionally Convertible Debenture Subscription Agreement, Astral shall acquire Board control of Gem Paints Private Limited by way of appointing majority directors on the Board of Gems Paints Private Limited. Accordingly, Gem Paints shall become subsidiary of Astral upon completion of certain pre-closing conditions.</p> <p>Upon completion of demerger of Operating Paint Business of Gem Paints, Astral shall acquire 51% equity stake of Resulting Company (Esha Paints Private Limited).</p>
<p>brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);s</p>	<p>Gem paints Private Limited was originally incorporated on 24th January, 1980. Gem Paints is into the business of manufacture and supply of various types of paints, varnishes, coatings, products related to home décor, industrial paints and as dealers in all types of chemicals, essences, enamels, polishes, distempers, colours etc.</p> <p>Last 3 years turnover of Operating Paint Business of Gem Paints:</p> <p>2021-22 : Rs. 215 Crores (provisional) 2020-21 : Rs. 201 Crores 2019-20 : Rs. 183 Crores</p>



Date: April 29, 2022

ASTRAL ENTERS INTO DEFINITIVE AGREEMENTS TO ACQUIRE 51% CONTROLLING STAKE OF GEM PAINTS OPERATING BUSINESS FOR RS. 194 Cr.

We are pleased to inform that as part of Company's strategy to expand its product portfolio under building material segment and strengthen our brand **ASTRAL** and its Dealer's & Distributors Network, the Board of Directors of ASTRAL has today entered into definitive agreements for acquiring controlling 51% equity stake in operating business of **GEM PAINTS PRIVATE LIMITED**.

GEM PAINTS was founded in 1980, and has been manufacturing high performance Industrial and Decorative coatings in South India. The company has been consistently performing well, with more than 3000+ dealers and 10 Depots spread across all the states of South India.

GEM PAINTS enjoy its competitive edge which is derived from its resin manufacturing capabilities and in-house R&D division. The product quality has always been at the spearhead of the company's policy since its inception.

GEM PAINTS has wide range of diverse portfolio of 28+ brands and 100+SKUs spanning across various price points.

GEM PAINTS has spread out by recently setting up a state of art plant at Nelamangala (Karnataka) admeasuring 160,000 Sq. Ft. and has an Annual Capacity of 36,000 K.L. (Post Expansion of Phase II – 60,000 K.L.)

GEM PAINTS adhere to its highest quality standards with compliance to all required regulations around lead content and VOC.

FINANCIAL HIGHLIGHTS:

Particulars	2019-20	2020-21	(Rs. In Millions)
			2021-22 (Provisional)
SALES	1829	2010	2146
Adj.EBIDTA	287	362	320



On this acquisition **Mr. Sandeep Engineer – MD of ASTRAL LTD**, Quote that “The acquisition of GEM PAINTS will be a good addition of product portfolio in Astral Product Basket and I am confident that this will take Astral’s Brand value to new heights and build more confidence among Builders, Architects, Consultants, Dealers and Distributors of the company due to product synergy within the network.”

On this acquisition **Mr. Anand Gandotra – Founder & MD of GEM PAINTS** Quote that “Joining hands with the brand ASTRAL is a new chapter & a step in the right direction for the growth of GEM PAINTS in all aspects. I have complete faith that this association will take the future of GEM PAINTS to be a PAN INDIA brand and envisage a multifold growth.”

ABOUT ASTRAL

ASTRAL is a pioneer of manufacturing CPVC piping in India. The company manufactures pro-India plumbing and drainage systems in CPVC, PVC and DWC category. Right from introducing CPVC piping in India to introducing many innovative piping solutions, Astral Pipes today offers the widest range of pipes and fittings for various applications including specialized products for infrastructure development. Astral is one of the Leading Player in Adhesive & Sealant Products in India and abroad. Astral entered the Adhesives category in 2014 by acquiring UK-based Seal It Services Ltd and Resinova Chemie Limited (Kanpur, India). Astral Adhesives manufactures a diversified range of adhesives, sealants, putties, and construction aids.

Recently company has entered into Plastic Water Storage Tank and Planning to enter shortly in Sanitary ware & Faucet Business. Today, Astral is one of the fastest-growing companies in the category of building materials and has been a distinguished brand. Astral deploys best-in-globe technologies and fulfils the emerging needs of millions of households and adds extra mileage to India’s developing real estate fraternity with the hallmark of unbeaten quality and innovative building materials solutions. Astral has 11 Production Facilities in India and 3 overseas.

Media Contact Details

Mr. Hiranand Savlani
Chief Financial Officer
079-66212000
hiranand@astralcpvc.com

