



Striving for more

APOLLO PIPES LIMITED
ANNUAL REPORT 2021-22

Contents

Striving for more **4** About the Company **8**
 From the Chairman's Desk **14** Key Performance Indicators **16**
 Conversation with the Managing Director **18**
 Quarterly Progress **20** Mega Trends & Strategic Direction **22**
 Management Discussion & Analysis **24** Board of Directors **42**
 Corporate Information **43** Board's Report **44**
 Corporate Governance Report **60**
 Business Responsibility Report **77**
 Financial Statements **84**

For us, More... is not simply a 4-letter word it's a 4-word aspiration

Making
Our
Ride
Endless

It's what fuels our passion for creating the new.

It's what enables us to innovate better than we had done before.

It's what pushes us to utilise resources much more efficiently.

It's what motivates us to strive harder as we cross a milestone.



At Apollo Pipes, **'MORE'** has been the primary catalyst in our journey this far, delivering heartening results.

13%

Volume
(5-year CAGR)

27%

Revenue
(5-year CAGR)

25%

EBITDA
(5-year CAGR)

26%

Profit after Tax
(5-year CAGR)



Our 'Endeavour for More' will continue to be the fundamental component of our blueprint, going forward.

Because our philosophy of always asking for, looking for, striving for more...

...will not allow us to settle for what's formulaic.

...will force us to redefine our journey as we cross important milestones.

...will stimulate us to strengthen our relevance to customers as we move ahead in our journey.



Our 'striving for more' passion has enabled us to establish our pan-India manufacturing

In our business, being proximate to consuming markets is critical for success.

It allows us to align products to customer preferences better. It reduces the mind-to-market lead time. It optimises the logistics costs. It ensures that dealers always have the desired products in required quantities.

This reality platformed our manufacturing strategy – creating a robust pan-India manufacturing presence.

Over our business journey extending for more than three decades, we have persevered patiently in working on this strategy.

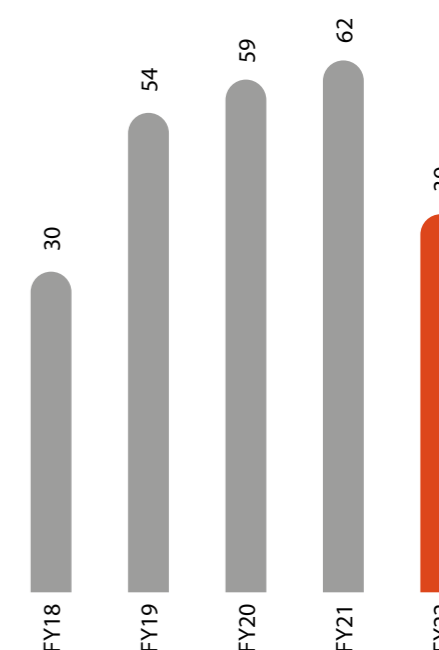
Even as we widened our manufacturing footprint from North to West and then to South, we continued to expand capacities at existing facilities.

And then FY22 happened. A period that saw the fruition of our blueprint.

We connected the dots. Our Raipur facility commenced operations. We will now be able to imprint a strong foothold in East and Central India.

This unit will now drive us to create the market revenue to a new level.

Capital investment (₹ crore)



Our 'striving for more' passion **has allowed us to widen our product basket**

In our business, you can't only be marketing pipes. Because pipes are not sold by themselves. It needs a lot more.

Understanding this reality, we got down to the drawing board, to identify our customers. We narrowed it down to primarily these... the contractor, the plumber and the farmer.

Pipes, for these customer categories, are only one part of their purchase list. And owing to the paucity of time, they would prefer to buy everything from one counter.

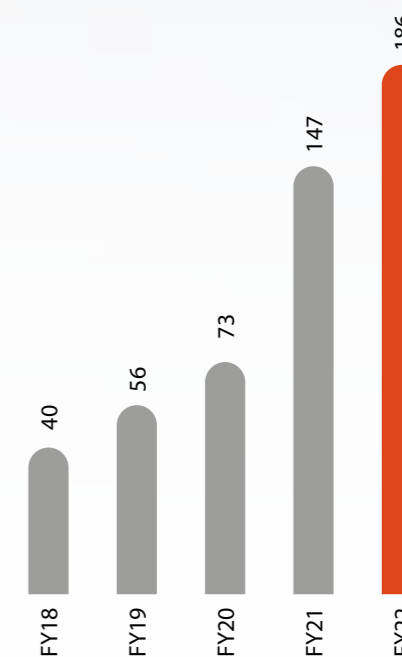


This mandated us to ideate on our customers' purchase list. It pushed us out of our comfort zone to foray beyond pipes.

We widened our range of fittings, adding more than 50 Stock Keeping Units (SKUs) every year for the last three years. We created a large portfolio of Plastic Taps, Showers and Faucets. We further widened this range with cisterns and WC seats. We added solvents to our product list and followed this up with Water Tanks. Over the year, we widened the range under each category.

Currently, we have a large and diversified portfolio of 1500+ SKUs with an aim to take this to 2,000+ over the medium term.

Revenue from non-pipe products (₹ crore)



About the Company

Apollo Pipes is among the top 10 leading piping solution providing companies in India.

Headquartered in Noida, the Company enjoys strong brand equity in the domestic markets, with more than three decades of experience in the Indian Pipe Market, Apollo Pipes holds a strong reputation for high quality products and an extensive distribution network.

Equipped with state-of-the-art infrastructure, the Company operates large manufacturing facilities at Dadri and Sikandarabad in UP, Ahmedabad – Gujarat, Tumkur – Karnataka and Raipur-Chhattisgarh with a total annual capacity of 125,200 MT.

The Company's expansive product profile includes over 1,500 product varieties of cPVC, uPVC, and HDPE pipes, water storage tanks, PVC taps, fittings and solvents of the highest quality.

The products cater to an array of industrial applications such as Agriculture, Water Management, Construction, Infrastructure, and Telecom ducting segments. The Company's extensive distribution network spreads across 600+ channel partners.

FY22 at a glance



53,849 MT

Sales Volume
14% YoY increase



₹784.1 Cr.

Revenue
51% YoY increase



₹93.4 Cr.

EBITDA
26% YoY increase



11.9%

EBITDA Margin



₹49.8 Cr.

PAT 12%
YoY increase



₹75.5 Cr

Cash Profit 22%
YoY increase

PRODUCT PORTFOLIO

Plumbing



uPVC Plumbing System



CPVC Plumbing System

Agriculture



uPVC Pressure Pipes and Fittings



HDPE Pipes & Coils



HDPE Sprinkler System

Sewerage



uPVC SWR Drainage System



Under ground Drainage Pipes



uPVC column Pipes



Casing Pipes

Water Tanks



Water Tanks

Solvent Cement



Solvent Cement

Bath Fittings



Faucets



Showers



Health Faucets



Cistern



Seat Covers



Allied Products



Accessories

Home solutions



Kitchen Sink

Our branding efforts

Tiger Shroff Appointed as Brand Ambassador

Social Media campaign launched in Q3FY22 continue to garner good response

Water Tank
(On Apollo Platform)

- ▶ Youtube 8.9 Million Views
- ▶ Instagram 4.2 Million Views
- ▶ Facebook 9.2 Million Views

On Tiger Shroff's: Instagram Water Tank: 3 Million Views Pipes: 1 million views

Pipes
(On Apollo Platform)

- ▶ Youtube 13.4 Million Views
- ▶ Instagram 3.4 Million Views
- ▶ Facebook 8.7 Million Views

TV Commercial launched on May 2, 2022

Raveena Tandon Appointed as Brand Ambassador

Social Media campaign launched in Q3FY22 continue to garner good response

Bath Fitting
(On Raveena's Platform)

- ▶ Instagram 6.8 Million Followers
- ▶ Facebook 8.5 Million Followers

Digital Campaign, Packing, Promotions etc.



From the Chairman's desk

I do not see demand as an issue. Our challenge will lie in our ability to maximise the inflow of opportunities into Apollo Pipes and position our brand as the preferred brand in our space.



Our challenge will lie in our ability to maximise the inflow of opportunities into Apollo Pipes and position our brand as the preferred brand in our space.

We aim to strive harder, reach our product to every corner of India, launch India-wide awareness campaigns and utilise our competitive moat to generate superior returns from every rupee invested in the business.

We will continue to make prudent investments in capacities and capabilities. We will widen our dealer base. We will invest in IT solutions to make the organisation more cohesive even as we spread wide. **In a nutshell, we will strive for more.**

The future appears indeed exciting. We have drawn the contours of our value maximisation strategy. Our team has taken up the mantle with zeal and enthusiasm. I am confident that, barring unforeseen challenges, we should better our performance going forward.

I, on behalf of the Board, express my whole-hearted gratitude to the Apollo Pipes team for their continued efforts in uplifting the Company. I thank all our stakeholders for their continued support in our journey without which it would have been difficult to reach the position we are in. I take the opportunity to thank our shareholders for their unwavering belief in our abilities. We continue to solicit your trust and support.

Warm regards

Sanjay Gupta

Non-executive Chairman

Dear shareholders,

It is an immense pleasure to connect with you at a time when your Company has bettered its performance a few notches higher. We have registered all-time high numbers across key financial parameters which demonstrated the relevance of our business strategies and their timely execution.

In the last five years, our topline, EBITDA and Net Profit have more than doubled which is very satisfying considering the growing competitive intensity in our business space. It throws light on the fact that our products are delivering value to customers and hence are gaining traction.

Our Return on Capital Employed stood at 16.5% which is the highest in the last five years. For me this is exceedingly satisfying as it communicates an important message – every rupee invested in the business is generating higher returns for the Company and creating superior value for its stakeholders.

FY22 was a special milestone for Apollo Pipes as we commenced operations of our Raipur unit which is our most sophisticated unit in terms of technology and efficiency. Moreover, it helps the Company to establish a strong presence in the East India markets, which until now was our Achilles heel.

The commissioning of the unit also means that we now enjoy a pan-India manufacturing presence which gives us a unique competitive advantage – to reach our markets faster in a cost-effective manner. We will focus on building our presence in the East India markets over the coming years.

Into the looking glass

Looking ahead, I feel very excited. Because India is the land of opportunities.

I am not saying it, the world is. India is gaining the global spotlight, as a reliable sourcing base by global leaders across sectors. The Central Government on its part is inviting foreign investment into India, engaging and endorsing

trade agreements with Western Nations to strengthen India's competitive advantage, articulating policies to stimulate the growth of India's private sector and investing funds for creating world-class infrastructure.

As a fallout, the real estate sector is expected to gain momentum over the coming years. A report by Savills India indicates that the real estate demand is expected to increase by 15-18 million sq. ft. by 2025.

New trends are constantly shaping up the real estate sector as demand continues to grow across segments and locations. Various factors such as reverse migration, flexible work options, learning from home and the desire for ample

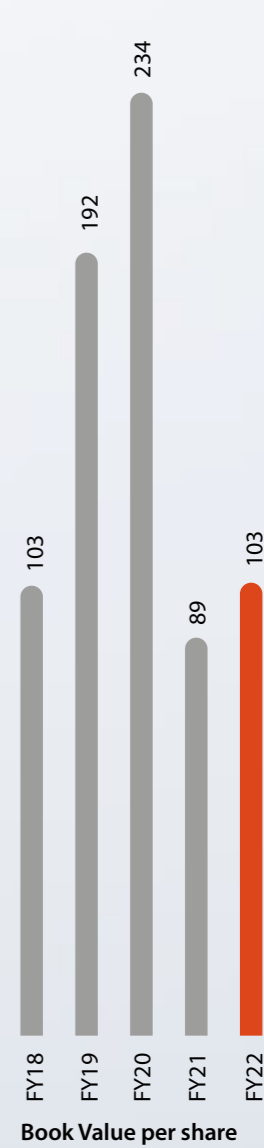
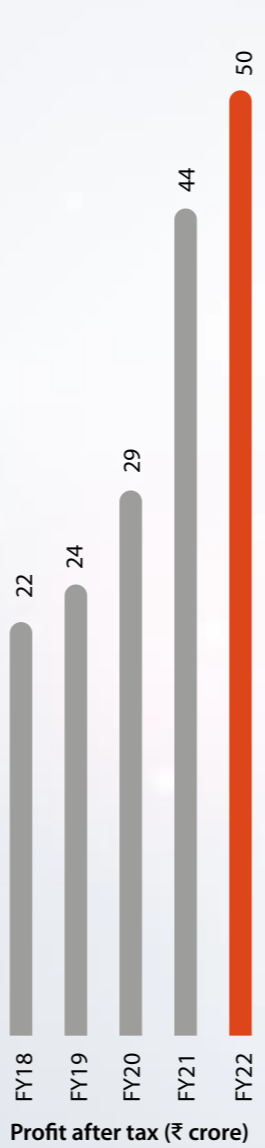
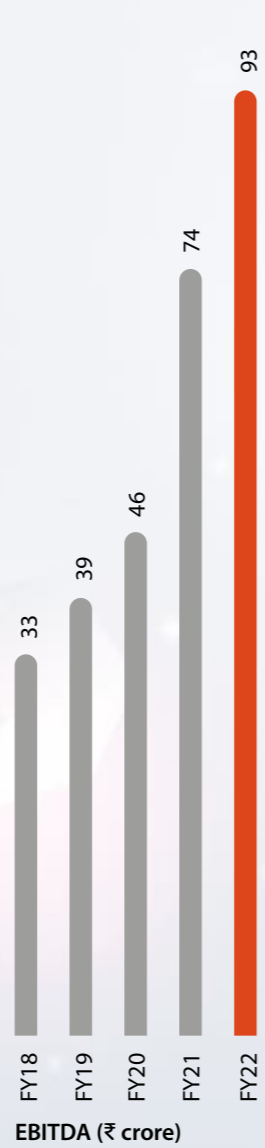
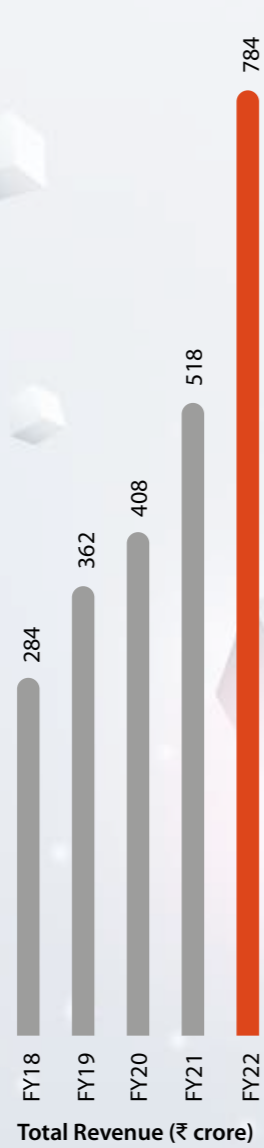
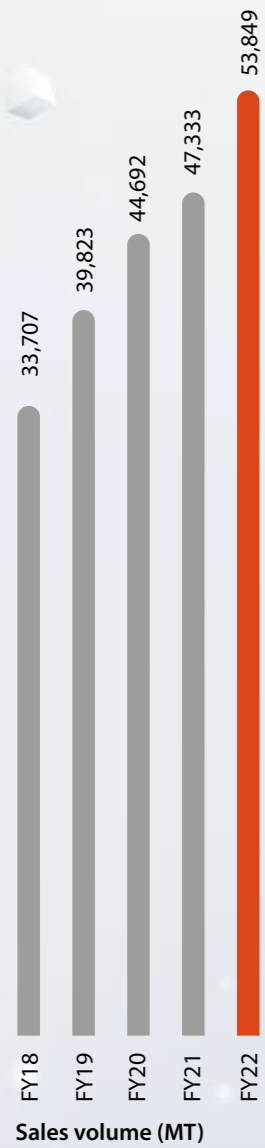
open and green spaces have turned the tide in favour of Tier 2 & 3 cities. A large chunk of the young workforce or millennials is now investing in real estate in Tier 2 & 3 cities for opulent living, work-life balance, well-being, and future security. As such, residential real estate demand is expected to mushroom across the Indian landmass.

Moreover, India's journey towards a sizable USD 5 trillion economy opens windows to numerous growth opportunities in the commercial office market. These factors should sustain demand for pipes and fittings over the coming years.

Given this scenario emerging on the horizon, I do not see demand as an issue.

Key performance indicators

Scaling new peaks



In conversation with the
Managing Director

We are readying ourselves for an even superior performance. With enhanced capacities and excellent capabilities, we hope to sustain our commitment to deliver superior returns.

How was the Company's journey in FY22?

FY22 has been a very satisfying year for us. Our performance was strong and substantial, which yielded superior growth. Our revenue from operations scaled by 51% over the previous year, EBITDA increased by 26% as did the Profit after tax which increased by 12%.

What was the key highlight for the year under review?

We operationalised our greenfield facility at Raipur. This was a milestone for me and the entire team. It allows us to strengthen our presence in East and Central India which are significant consuming markets. Also, it establishes Apollo Pipes as a pan-India manufacturer which gives us a competitive edge over peers in our business space. Going forward, this unit will emerge as an important business driver for the Company.

What were some other highlights in FY22?

An important standout initiative was the addition of our latest range of water storage tanks and plastic bath fittings. We marketed these aggressively through physical and digital platforms. I am particularly pleased to mention that this product range experienced strong acceptance in the domestic market. Our dealers experienced frequent stock-out situations. Hence, we doubled the capacity for water storage tanks at our Sikandarabad unit (Dadri, U.P.) and added one unit each for manufacturing storage tanks at our other facilities at Tumkur (Karnataka) and Raipur (Chhattisgarh). Similarly, we are planning additional capacity for plastic bath fittings in FY23.

How did you manage the inflationary pressure?

That was a serious challenge as crude oil prices scaled significantly. We took a double-hit on this account.

Our raw materials and logistics costs increased significantly. Moreover, the increase in the team size owing to the commissioning of the Raipur facility upped the employee bill considerably. Hence, despite an increase in profit numbers, margins slid.

The slide in margins does not appear to be very significant. How did you manage to arrest the slide?

We focused on selling our value-added products namely cPVC, HDPE pipes and fittings. We worked extensively on widening our product basket in the fitting space which yielded heartening returns. Our products received healthy traction. This is rewarding because it heralds superior profitability over the coming years when crude oil prices cool down.

How are you making your business operations more cohesive and agile?

We are making substantial investments in sophisticated and business-relevant IT solutions. We have widened the use of ERP across the organisation. We have added some critical processes onto the ERP platform which will allow us to make smarter and informed decisions. We introduced Robotic Process Automation bots in the manufacturing space which helped strengthen efficiencies. We introduced a comprehensive channel management system which allowed us to fortify our relations with our channel partners. Even as I share my thoughts, we are brainstorming on launching newer solutions that will make the organisation more fleet-footed to capitalise on emerging opportunities.

You mentioned you are increasing the brand's awareness. What are you doing in this aspect?

This was an important initiative. We engaged with the Bollywood celebrity, Tiger Shroff, as the brand ambassador

for the entire Group. We developed TV advertisements which were aired on all National News TV channels. We intensified our presence on all social media platforms and Below-the-Line initiatives. These efforts have helped us generate traction for our products.

What are your priorities for FY23?

If I can answer it in a simple phrase, it would be making the business more efficient and profitable.

If you could flesh out this phrase, what would be the details?

On the operations front, I would focus on stepping up the optimization of our assets to cater to the growing market demand. It would also bring in economies of scale that would optimise our cost of operations. On the marketing front, we would look to strengthen our presence in the East market where our presence until now has been only marginal. On an overall basis, we will focus on growing the share of value-added products in our revenue pie which will help us in improving business profitability. And as I mentioned before, IT solutions would be a keen priority for they will bind our operations seamlessly and make us nimble and agile.

What is your message to shareholders?

We are readying ourselves for an even superior performance. With enhanced capacities and excellent capabilities, we hope to sustain our commitment to deliver higher returns.

405
Capex in FY22
(₹ Million)

Striving harder to make every quarter count

Q1

Revenue		EBITDA		PAT	
49%		182%		338%	
(₹ Lakh)		(₹ Lakh)		(₹ Lakh)	
Change over corresponding quarter		Change over corresponding quarter		Change over corresponding quarter	
137.6	92.5	174	6.2	8.8	2
Q1/FY22	Q1/FY21	Q1/FY22	Q1/FY21	Q1/FY22	Q1/FY21

Q2

Revenue		EBITDA		PAT	
69%		67%		48%	
(₹ Lakh)		(₹ Lakh)		(₹ Lakh)	
Change over corresponding quarter		Change over corresponding quarter		Change over corresponding quarter	
208.2	123.3	26.0	15.5	14.1	9.5
Q2/FY22	Q2/FY21	Q2/FY22	Q2/FY21	Q2/FY22	Q2/FY21

Q3

Revenue		EBITDA*		PAT*	
49%		(15)%		(30)%	
(₹ Lakh)		(₹ Lakh)		(₹ Lakh)	
Change over corresponding quarter		Change over corresponding quarter		Change over corresponding quarter	
190.8	128.1	21.6	25.5	11.4	16.3
Q3/FY22	Q3/FY21	Q3/FY22	Q3/FY21	Q3/FY22	Q3/FY21

*Constant Correction in Resin Price Leading to reduction in sales price and Inventory Loss resulted into YoY decrease in EBITDA and PAT.

Q4

Revenue		EBITDA		PAT**	
42%		5%		(6)%	
(₹ Lakh)		(₹ Lakh)		(₹ Lakh)	
Change over corresponding quarter		Change over corresponding quarter		Change over corresponding quarter	
247.5	174.2	28.4	27.0	15.6	16.6
Q4/FY22	Q4/FY21	Q4/FY22	Q4/FY21	Q4/FY22	Q4/FY21

**Increase in Depreciation and Finance cost lead to decrease in YoY PAT.

Our key user sectors & their prospects



Urban Infrastructure & Construction

Infrastructure push -plumbing and distribution requirements

Water Management, Waste Management, Water Drainage & Sewerage System

'Housing for All' scheme and 'Smart Cities' scheme to drive demand

Gol targeted construction of 20M and 40M houses in urban and rural areas, by 2022

- One unit in the urban area nearly consumes 200 kg of PVC products

- Rural house consumes ~75kg



Water Management

Rehabilitation of aging pipelines and installation of new pipes in transportation of liquids offers a significant opportunity

Government focus on providing clean water, clean cities with well-organized plans for sewage removal and efficient transport facilities

National Rural Drinking Water Mission (NRDWM) to create a safe drinking water program



Agriculture Focus

Improving irrigation schemes for farmers

Water Table Depletion – increase in bore well activities leading to higher demand of larger diameter pipes

Increase in land under irrigation for food production

Increasing agriculture focus will have better demand for irrigation and thus demand for PVC pipes

Our focus areas for FY23

- Strengthen foothold in existing markets of North, West and South India
- Undertake a phase-wise capacity expansion at the existing facilities over the next few quarters
- Register solid growth in sales–targeting revenue growth of around 25%
- Penetrate and establish footprint into neighbouring markets in Central and Eastern India
- Improve utilization at the existing manufacturing plants at all facilities
- Undertake various brand building exercises and establish stronger brand recall in the established markets of North and Western India

Management Discussion & Analysis



The Economic Review

Global economy: Calendar 2021 was a year of resurgence. After a sharp decline in global economic growth due to Covid in 2020, the economy rebounded in 2021 with the global GDP clocking a growth of 6.1% as per the latest IMF data – the highest growth in the last four decades.

The recovery though, was not uniform throughout the world. It was quicker in most advanced nations owing to the accelerated vaccination drive and sizeable fiscal support.

Global trade value reached a record US\$28.5 trillion in 2021, 13% higher than the pre-pandemic level in 2019. Trade in goods improved better in the developing world than in developed nations, while growth was higher in commodity exporting regions. Global manufacturing production rose by 9.4%

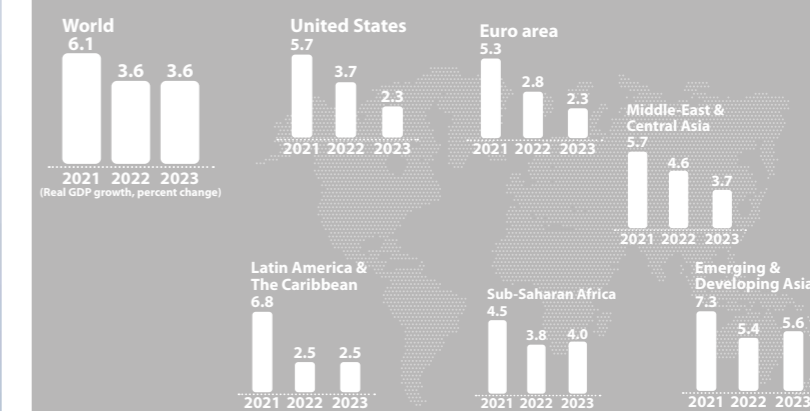
in 2021 as compared to the Covid-induced decline of 4.2% in 2020.

In Calendar 2022, economic progress appears to be constrained. This is owing to a dismal start consequent to the withdrawal of fiscal support by major economies, the continuing supply chain issues and the Russia-Ukraine crisis leading to a surge in fuel, commodity and agri-product prices.

As a result, inflationary pressures have increased significantly - inflation projection in advanced economies is at 5.7% and is estimated at 8.7% in emerging market and developing economies.

The IMF estimates suggest that the global GDP will grow by 3.6% in 2022 and 2023 respectively. This is 0.8 and 0.2 percentage points lower than earlier projections.

WORLD ECONOMIC OUTLOOK, APRIL 2022
GROWTH PROJECTIONS BY REGIONS [PERCENT CHANGE]



IMF.org/social
SOURCE: IMF, WORLD ECONOMIC OUTLOOK, APRIL 2022
NOTE: ORDER OF BARS FOR EACH GROUP INDICATES (LEFT TO RIGHT): 2021, 2022 PROJECTIONS AND 2023 PROJECTIONS

<https://unctad.org/news/global-trade-hits-record-high-285-trillion-2021-likely-be-subdued-2022>
<https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022>
<https://www.unido.org/news/manufacturing-sector-recovery-continues-future-unpredictable#:~:text=The%20complete%20annual%20data%20confirms,4.2%20per%20cent%20in%202020.>

Indian economy: India made an aggressive comeback after a challenging start in FY22. India's GDP surged from a contraction of 6.6% in FY21 into the positive zone with the GDP registering a growth of 8.7% in FY22. This was primarily owing to the nature of a resilient India.

The growth in GDP was contributed by all the segments – Agriculture grew by 3.9% (3.6% growth in FY21), Industry grew by 11.3% (8.4% contraction in FY21) and services grew by 8.2%.

This growth was supported by Government policies that facilitated commercial activity and fueled investment. New investment and capex announcements by the private sector saw a 145% year-on-year rise in FY22 over the previous fiscal.

The Centre's gross tax revenue for FY22 at ₹ 27.07 trillion exceeded the previous year revenue by a sizeable margin. The sharp rise in the collections lifted the tax-GDP ratio to the highest ever 11.7% - 6.1% for direct taxes and 5.6% for indirect taxes.

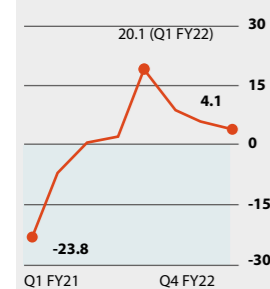
Private consumption expenditure in FY22 stood at ₹ 83.8 trillion, which was 1.4% higher than the ₹ 82.60 trillion recorded in FY20. External trade picked up well in FY22, after the slowdown caused by the pandemic last year, with good capital inflows which led to rapid growth in the accumulation of foreign reserves.

FY22 ended on a volatile note owing to the short-lived Omicron scare immediately followed by the Russia-Ukraine crisis which spiked the prices of fuel, agri-products and commodities across the board. The resultant inflationary pressure is expected to weigh on the growth prospects of India.

The Reserve Bank of India has scaled down its GDP growth estimate to 7.2% for FY23 against the earlier 7.8%. Despite this drop, India is expected to remain the fastest growing major economy in the world.

STATE OF THE ECONOMY

Quarterly GDP growth (% YoY)



Annual GDP growth (% YoY)

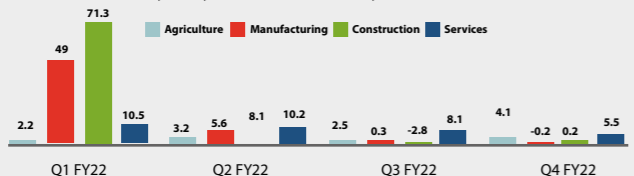
FY19	6.5
FY20	3.7
FY21	-6.6
FY22	8.7

Investments dip (% YoY)

	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22
Private spending (PFCE)	14.4	10.5	7.4	1.8
Govt spending (GFC)	-4.8	8.9	3	4.8
Investment (GFCF)	62.5	14.6	6.1	5.1

Note: PFCE: Private final consumption expenditure; GFCF: Government final Q4 FY22 consumption expenditure GFCF: Gross fixed capital formation

Sectoral performance (YoY growth in %)



Source: https://www.business-standard.com/article/economy-policy/india-s-gdp-grows-4-1-in-q4-8-7-in-fy22-govt-data-122053101161_1.html
<https://economictimes.indiatimes.com/news/economy/infrastructure/new-investment-manufacturing-jumped-in-fy22-goldman-sachs/articleshow/91122696.cms?from=mdr>
https://www.business-standard.com/article/markets/top-headlines-fdi-inflows-at-all-time-high-sc-transfers-gyanvapi-case-122052001258_1.html



India has recorded the "highest ever" annual FDI (foreign direct investment) inflow of US\$83.57 billion in FY22; it stood at US\$81.97 billion in FY21.



Indian agriculture

Contrary to popular perception, India's agriculture is a success story, worthy of professional discussion in global forums. India ranks 2nd in the world in the agricultural sector. Indian agriculture in the 21st century is structurally dissimilar, diverse, stronger and superior to the one that existed during the Green Revolution.

In the three decades from the 1970s until the late 90s, India's agricultural GDP grew from US\$25 billion to US\$101 billion registering an absolute growth of US\$76 billion. In the next 14 years from 2000 to 2014, it leaped from US\$101 billion to US\$367 billion, registering an astonishing growth of US\$266 billion.

This growth has happened despite the small farm sizes, unscientific methods of agriculture and reliance on monsoon.

India receives annual precipitation of almost 4,000 BCM (billion cubic meters) with an average water potential of 1,869 BCM. The very nature of monsoon rainfall

in India, which is uncertain, irregular and variable makes irrigation indispensable for sustainable agricultural development. However, the irrigated area constitutes only 48.8% of agricultural land in India.

The Indian agriculture sector is projected to increase to US\$24 billion by 2025.

However, a large portion of agricultural land is still not under irrigation and this affects the country's agricultural productivity. To optimise water consumption and maximise productivity India's overall irrigation efficiency needs to be improved.

The Government has launched a novel scheme titled 'Har Khet Ko Pani under PMKSY' to facilitate irrigation coverage for every farmer and improve irrigation efficiency with an end-to-end solution for the creation of source, distribution, field application and application activities.

This thrust on irrigation is expected to generate interesting opportunities for the PVC pipes segment over the medium term.

A new milestone

India's agricultural products export touched a new milestone. Agricultural exports grew by 19.92% in FY22 to US\$50.21 billion. Moreover, it was over and above the growth of 17.66%, at US\$41.87 billion achieved in FY21. This is a stellar performance, especially considering the unprecedented logistical challenges in the form of high freight rates, container shortages, etc.

Sources
https://www.business-standard.com/article/b2b-connect/india-an-agricultural-powerhouse-of-the-world-116051800253_1.html
<https://www.livemint.com/news/india/indias-agriculture-products-exports-cross-50-billion-for-fy22-details-here-11649246758828.html>
<https://www.downtoearth.org.in/news/agriculture/growing-gap-in-irrigation-potential-and-usage-major-challenge-66580#:~:text=Irrigated%20area%20accounts%20for%20nearly,of%20agricultural%20land%20in%20India.>

Indian real estate

The real estate sector is one of the most recognised sectors globally.

It comprises four sub-sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the improvement in the corporate environment and the demand for office space as well as urban and semi-urban accommodation.

The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

Demand for real estate continues to move northwards owing to 1) rising population 2) development of tier 2 & 3 cities 3) faster industrialisation 4) increasing retail demand 5) multiplying need for warehousing owing to the rapid growth of e-commerce.

The residential real estate market in India started recovering in 2021 and it is expected to continue to do so in 2022.

In FY22, the top eight real estate clusters reported an increase of 42% in housing sales on a y-o-y basis.

In FY23, strong and positive momentum is expected to prevail in the Indian real estate, backed by a solid structural foundation and traction in demand.

Interestingly real estate in Tier 2 and 3 markets will also climb fast. Sustained infrastructure investments, increased connectivity, and better job opportunities will be fuelling real estate in smaller cities and towns in India. Already metro and suburban transit systems are taking shape in cities such as Lucknow, Kanpur, Agra, Patna, Cochin, etc, which will boost real estate demand. Under UDAN new airports are built, which will foster regional economic growth and help the realty sector considerably.

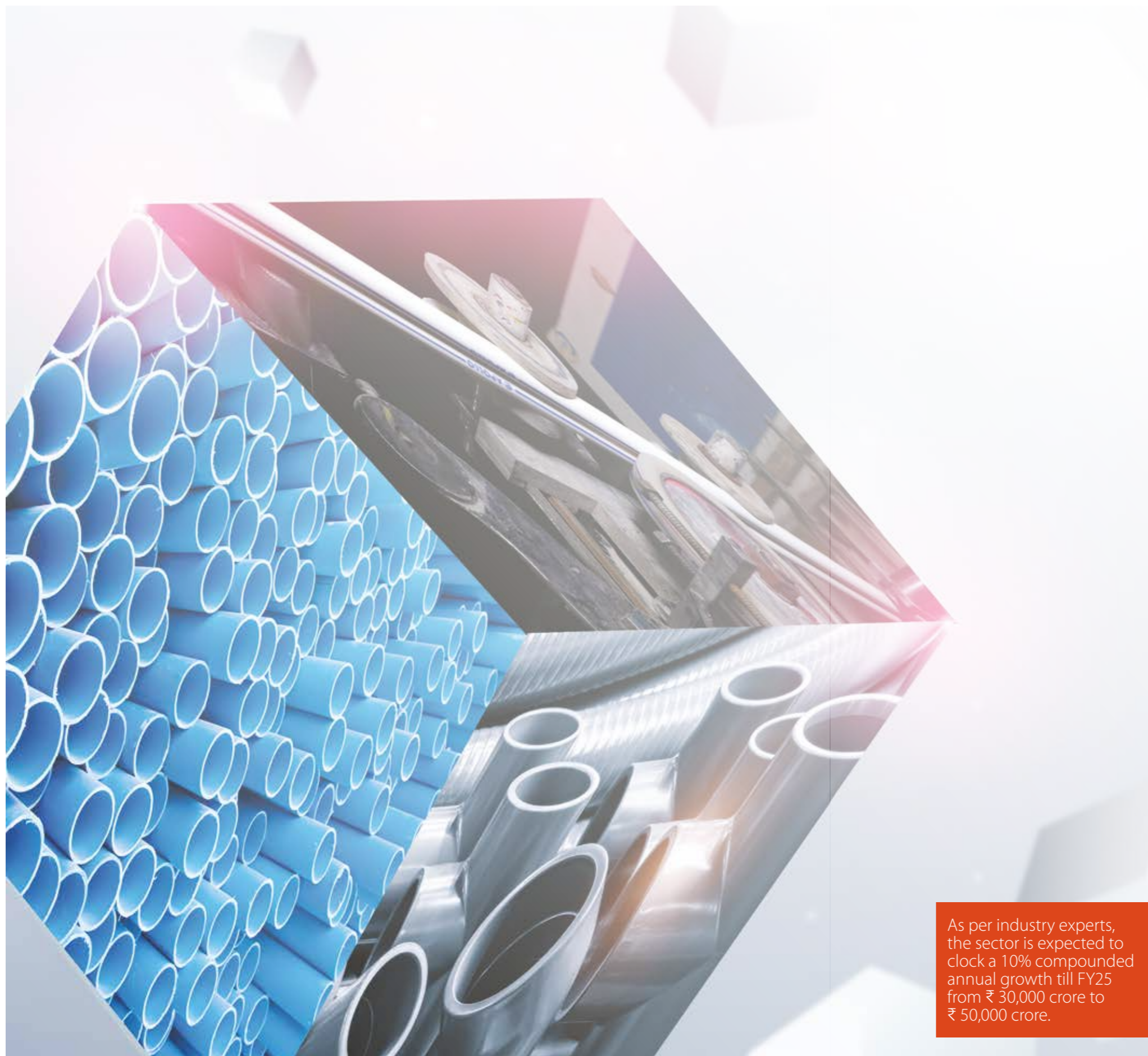
After taking a backseat over the past 2 years, office leasing will see incremental growth, especially from tech, IT, and retail companies. E-commerce and 3rd party logistic enterprises will continue to

pour money into warehousing, making it one of the fastest-growing categories in commercial real estate. Investments in data centers will also soar. Big tech giants such as Google and Amazon are racking up investments in the Indian data center space, lured by its long-term potential.

In FY23, India Ratings and Research (Ind-Ra) expects big developers to see better revenue while affordable housing segments contribute 50% of the sales.

In the Union Budget 2022-23, the government announced an allocation of ₹ 48,000 crore under the Pradhan Mantri Awas Yojana (PMAY) to build housing for urban EWS/LIG/MIG people.

Sources
<https://www.ibef.org/industry/real-estate-india>
<https://economictimes.indiatimes.com/industry/services/property/-construction/housing-market-on-firm-footing-expected-to-see-healthy-demand-in-fy23-report/articleshow/91066774.cms>
<https://www.financialexpress.com/money/real-estate-in-india-set-to-bounce-back-stronger-in-fy-23/2511445/>



As per industry experts, the sector is expected to clock a 10% compounded annual growth till FY25 from ₹ 30,000 crore to ₹ 50,000 crore.

PVC Pipes business space

PVC is the acronym for Polyvinyl Chloride which is a kind of chlorinated hydrocarbon polymer. In its natural state, it is rigid and easily breakable but when mixed with plasticizers it becomes more resilient and flexible.

PVC pipes are used for high resistance from heat and corrosion, low level of flow friction, simple manufacturing process, high durability, stress resistance, low chemical reaction, low maintenance, easy to install, easy to mould and consists of very low carbon (marginal harmful emissions).

PVC is generally divided into two categories, UPVC (unplasticized polyvinyl chloride) and CPVC (chlorinated polyvinyl chloride).

CPVC is produced by chlorinating the PVC polymer. CPVC has 67% chlorine. Hence, CPVC pipes are suitable for both hot & cold water application. Chlorination makes the CPVC material more strong/rigid, chemical resistant and gives them the ability to withstand high temperatures up to 93deg C.

On the other hand, UPVC and PVC are both the same. UPVC has 57% chlorine hence it is suitable for only below 60deg. C application or cold water application. UPVC pipes are long-lasting, recyclable, and are fire-resistant also.

The main difference between UPVC and CPVC is that UPVC is made without adding plasticizers whereas CPVC is made by adding plasticizers and undergoing the process of chlorination.

When it comes to water supply PVC pipes are everywhere. PVC pipes are a mainstay in almost all water supply, sanitation and irrigation networks. In residential and industrial complexes, plumbing, electricity & telecom and cooling & heating system networks PVC pipes are ubiquitous.

Underground PVC pipes with a thicker wall and larger diameter are used for utility companies to supply drinking water. They are also used in sewage systems, rainwater drainage and water sprinkler networks.

PVC pipes market in India is witnessing multiple demand drivers in recent times, such as irrigation, real estate development, and urban semi-urban sewerage infrastructure.

Because of their durability, reliability and low-maintenance, more and more residential consumers and farmers are opting for them. Along with that, Government of India's increasing focus on irrigation and 'Housing for all' schemes are working as growth engines for the PVC pipe industry.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Large and mature market • Complete basket of products for every application • Abundant availability of inputs 	<ul style="list-style-type: none"> • Competitive intensity considerably high owing to the significant presence of the unorganised sector
Opportunities	Threats
<ul style="list-style-type: none"> • The real estate sector expected to witness significant growth over the coming years • Government thrust on irrigation and residential housing to increase prospects • Significant investment by the private sector in creating capacities – will drive demand 	<ul style="list-style-type: none"> • The rise in crude prices could impact business profitability • An increase in interest rates could slow down fresh investment in projects

Government schemes that open interesting opportunity windows

PMKSY: Pradhan Mantri Krishi Sinchayee Yojana was launched in 2015 to provide some protective irrigation to all agricultural farms in the country, at the same time extending the area of coverage of irrigation 'Har Khet Ko Pani' and improving water efficiency 'More Crop Per Drop' with a solution to source creation, management, distribution, field application and extension activities. In Union Budget 2022-23 ₹ 2,000 crore has been allocated for the PMKSY scheme.

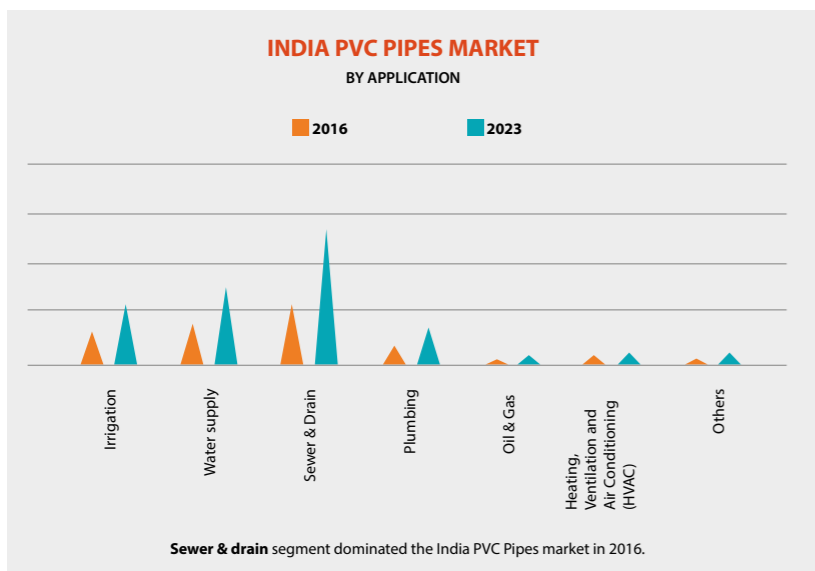
JJM: Jal Jeevan Mission (JJM) aims to provide access to clean and adequate water through individual tap connections to all houses in rural India by 2024. The program also takes care of source sustainability measures like recharge and reuse through grey water management, rainwater harvesting, water conservation, etc. The aim is to make JJM a movement that makes water everybody's priority.

Until February 2022, the coverage of JJM was 47.28%. Also, the allocation in this project has increased over the years from ₹ 10,998 crore allocated in FY21 to

₹ 45,011 crore in FY22 and ₹ 60,000 crore is allocated in the current Union Budget.

PMAY: Under House for All (Urban) by the Government of India, PMAY or Pradhan Mantri Awas Yojana is a mission to provide houses for all the urban poor by 2022. This will provide housing to urban people of the EWS/LIG/MIG category including urban slum dwellers to get access to affordable housing or pucca house by the year 2022. In Union Budget 2022-23, ₹ 48,000 crore was allocated under this scheme.

Sources
<https://www.alliedmarketresearch.com/india-pvc-pipes-market>
<https://pmkxy.gov.in/#:~:text=To%20this%20effect%20Pradhan%20Mantri,creation%2C%20distribution%2C%20management%2C%20field>
<https://www.thehindubusinessline.com/data-stories/data-focus/jal-jeevan-mission-less-than-half-of-rural-households-have-access-to-piped-water-supply/article65186436.ece#:~:text=As%20of%20February%202022%2C%20the,crore%20in%20the%20latest%20budget>
<http://pmaymis.gov.in/>
<https://economictimes.indiatimes.com/industry/indl-goods/svs/cement/cement-demand-expected-to-grow-over-7-pc-in-2022-says-ambuja-cements/articleshow/90733146.cms>
<https://economictimes.indiatimes.com/markets/stocks/news/pvc-pipes-an-emerging-proxy-play-on-housing-construction/articleshow/82136693.cms>





About the Company

Apollo Pipes (BSE: 531761, NSE: APOLLOPIPE) is one of the major players in piping & fittings and water management solutions in India. Established more than three decades ago and headquartered in Delhi, the Company enjoys a strong brand presence in the domestic market.

Apollo Pipes makes products that cater primarily to the plumbing, sanitation, water supply, infrastructure and agriculture sector. The Company operates state-of-the-art manufacturing plants at Dadri and Sikandrabad in Uttar Pradesh, one at Ahmedabad in Gujarat, one at Tumkur in Karnataka and one at Raipur in Chhattisgarh with a cumulative capacity of 1,25,200 MTPA.

Apollo Pipes maintains a strong distribution network of 600+ channel partners and 10,000+ customer touch points. The Company has a diversified portfolio of over 1,500+ high-quality products in CPVC, UPVC and HDPE pipes & fittings, bathroom products water tanks and Solvents.

Operational Performance

The start of FY22 was no different than what was experienced in previous year. This time around it was worse as the Delta variant wreaked havoc across India owing to its intensity. But its duration was comparatively short-lived owing to the thrust on vaccinations.

Plant operations continued throughout the year with complete adherence to the Covid-related protocols in place.

The key highlight for FY22 was the commissioning of the greenfield facility at Raipur as it established the Company's presence in the East. As a result, sales volumes from this market increased appreciably.

The Company continued to widen its range of fittings which gained significant traction in markets of its presence. It also added a new range of storage tanks which generated interesting volumes. As such, the Company doubled the manufacturing capacity of storage tanks.

The Company progressed well with its brownfield expansions at its three

facilities at Dadri, Ahmedabad and Tumkur. These, when commissioned, will further strengthen the growth momentum of the company going forward.

Human Resource

Apollo Pipes treasures its workforce and considers them to be the cornerstone to success. It's the people, who transform business strategies into excellent outcomes. The Company has created a dedicated HR team for grooming and motivating its 600+ dedicated workforce.

The team keeps its people engaged and focused. FY22 continued to test the ability of the HR team in crisis management. And they did exactly what was needed from them, at times even surpassing expectations. The Company was able to stand behind its team during this tough time.

Covid Curbing measures

At the start of the year, when Covid was running a riot on public health and the economy, the Company enforced necessary protocol to keep the virus at bay. All employees were required to strictly adhere to the covid-relevant protocols. Hand sanitization at regular

intervals was done to avoid spread through contact and social distancing was also practised. No free movement on the premises was allowed. The Company also limited visitor interaction and invitations to the office or plant.

Besides, employees were advised to go for an RTPCR test in case they experience Covid symptoms as tabulated by ICMR. An employee was mandated to inform the HR & Admin department in such a case, and the staff needed to submit a negative RTPCR test report before resuming office. Employees were advised to inform the HR & Admin department in case any of the family members living with him/her tests Covid positive.

Paid leave was provided to employees who suffered from Covid. The Company provided full support to employees in case of hospitalization with coverage under the Mediclaim Policy.

Staying connected was a challenge amidst a pandemic that forced people into isolation. Lockdown kept posing as a major problem. But accurate planning and digital tools helped the employees to stay connected among themselves and with the HR team in case of requirement.

About the team

The Company has a 600+ strong team of enthusiastic professionals, who constantly strive to propel the Company towards excellence. Of this, more than 40% of the team is associated with the Company for more than five years – showcasing a healthy and stable working environment.

Talent Acquisition and Retention

As the Company's operations increased, the Company continued to scout for fresh talent. During the year under review, it on-boarded 194 members through campusing, job portals and referrals.

In its quest for excellence, it focused on making its work ecosystem conducive and motivating with regular Reward and Recognition platforms. Besides, proper feedback channels helped in gaining an insight into needs and views of employees. This coupled with transparency unites our workforce towards a common goal.

Learning and Development

The Company has remained committed to strengthening its intellectual

capital by emphasising Worker Skill Development and Supervisory Development Programmes. About 2,481 Man hours were invested in building the Company's intellectual capital. The L&D curriculum covered functional, technical and behavioural topics. Technical aspects covered were QMS Objective & Policy, 7QC Tools, SOP & Defect Matrix, Poka Yoke, Lean Management System, Autonomous Maintenance, Basic TPM (CLITA, Machine Ownership, Abnormality, SOC, HTAA), Planned Maintenance, Single Minute Exchange of Diy, Value Stream Mapping, Hazard Identification and Risk Assessment.

The Company invited Tetrahedron and TPP World for training people. Moreover, on-job training at its operating units continued unabated.

Safety policy and practice

The Company has a comprehensive safety policy that facilitated in its day-to-day operations being safe and secure. In FY22, regular safety audits were conducted by internal teams to ensure strict compliance with Safety regulations. External training sessions were held by the Fire and Safety department. The safety protocol is institutionalised with the constitution of a Safety Committee,

strict compliance with safety PPEs, display boards at all the places on the shop floor and in hazardous areas including the office.

Employee engagement

Employee engagement is crucial to gaining stability and propelling towards prosperity. After achieving the highest sales in FY22, the Company has declared a Special Bonus for all employees which was followed by an Outbound Management team meet, where its annual reward and recognition programme was held.

Moreover, various initiatives to increase the sense of belonging were conducted like Workers and Supervisory Development Programmes, Employee Connect programmes, Team Meets, Monthly Review Programmes, Training and Development Programmes, Celebration of important events including Safety Week, Quality Month, Environment Day and festivals.



Financial Performance

Apollo Pipes upped its performance yet again in FY 22...

Despite an anxious start to FY22 owing to the onset of the second wave of the pandemic, the Company recorded an excellent performance.

Revenue from operations increased from ₹ 518.1 crore in FY21 to ₹ 784.1 crore in FY22 – a growth of a whopping 51%. This growth was primarily owing to the significant jump in sales of cPVC and HDPE products. The fittings piece also made a healthy contribution to the revenue growth.

EBITDA improved by 26% from ₹ 74.3 crore in FY21 to ₹ 93.4 crore in FY22. The EBITDA margin – it dipped from 14% in FY21 to 12% in FY22. This marginal dip was owing to a surge in costs – raw material, power and fuel and logistics cost.

The Company reported a Net profit of ₹ 49.8 crore in FY22 as against ₹ 44.5 crore in FY21 – a 12% increase. Operating Cash Flow was at ₹ 36.3 crore in FY22 against ₹ 20.7 crore in FY21.

Networth improved from ₹ 351.47 crore as on March 31, 2021, to ₹ 405.33 crore on March 31, 2022 – an increase owing to the ploughing of business surplus. As a result, the Book Value per share stood at ₹ 103 in FY22 against ₹ 89 in FY21 (Post Bonus). The Return on Equity dropped marginally, but the Return on Capital Employed (a matrix that showcases the returns from every rupee invested in the business) increased by about 63 basis points over the previous year.

During the year the Company reduced its debt burden by about ₹ 10.45 crore which helped reduce the interest liability for the year under review.

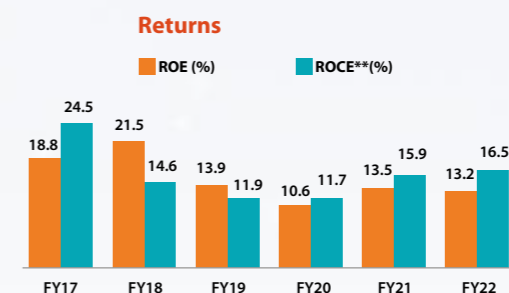
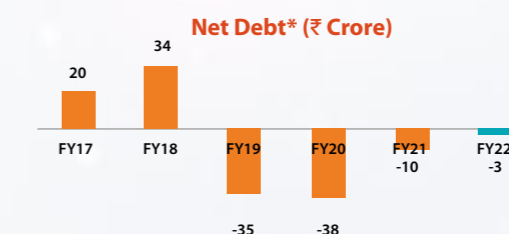
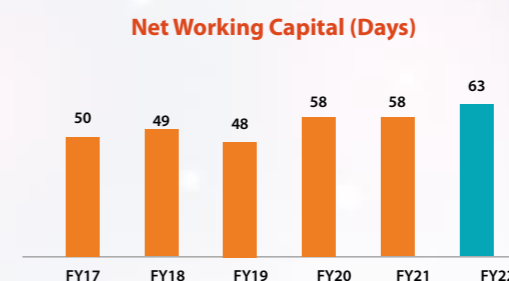
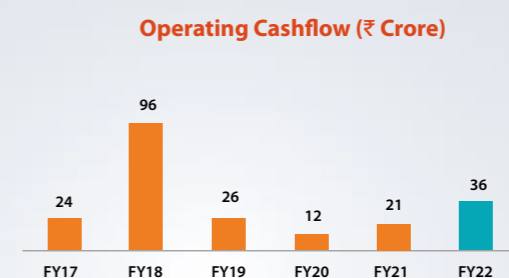
The working capital cycle increased marginally from 58 in FY21 to 63 days in FY22. This was owing to an increase in the Company's geographic presence and the increased focus on building products user segment which necessitated the increase in the product range.



Significant changes i.e., change of 25% or more in the key financial ratios

In accordance with the amendments notified by SEBI in Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 on 9th May 2018, the details of significant changes i.e. change of 25% or more in the key financial ratios as compared to the immediately previous financial year along with detailed explanations are reported hereunder:

Particulars	2021-22	2020-21
Current Ratio	1.9	1.5
Debt-Equity Ratio	-0.01	-0.03
Interest Coverage Ratio	16.7	14.9
EBITDA Margin (%)	11.9	14.3
Net Profit Margin (%)	6.3	8.6
Return on Net Worth (%)	13.2	13.5



*Negative due to Net cash, ** Capital Employed: Total Assets minus Current Liabilities



Internal Control & Adequacy

At Apollo Pipes, the internal control mechanism is designed to protect its assets as well as authorise, record and correctly report all transactions on time. It conforms to the local statutory requirements and meets the highest global standards and practices to remain competitive in evolving business dynamics.

The internal control framework monitors and assesses all aspects of risks associated with current activities and corporate profile, including scientific and development risks, partner interest risks, commercial and financial risks.

While ensuring flawless competition of accounting and financial processes, the internal control mechanism reviews both the manual and automated processes for transaction approval.

The Audit Committee carries out periodic reviews of the internal audit plan, verifies the adequacy of the control system, marks its audit observations, and monitors the sustainability of the remedial measures.

Information Technology

IT solutions in today's business world are not simply a good-to-have priority but a must-have imperative for fast, seamless, accurate and unified business operations.

In keeping with this reality, the Company continued to work passionately on its digital transformation journey, which includes E2E deployment of SAP S4/

HANA, IT Infra Operations, Cyber Security and Industry 4.0.

The Company had desired to reach out to its customers through digital platform. The company has developed CMS and rolled out for respective channel partners. The digital platform populates information related to business transactions in real time. This platform collaborate the Distributor, Retailer and the Company.

Apart from this the Company has rolled out various improvement projects like logistics optimization, Sales Dashboard, Inventory & production process optimization etc. These projects has been developed on SAP S4/HANA platform in line with SAP best business practices.

For human capital management the company has deployed the HRMS platform for employee self-service, PMS and Travel management. Further we have plans to add-on more modules like training & recruitment.

The Company strengthened its connectivity between multiple locations for seamless Data transmission between systems and Applications. We have set up secure server rooms at its manufacturing facilities. This ensures that the data generated at the manufacturing units can be safely stored and easily retrieved as and when required.

The Company has focus on cyber security. At gateway Level Firewalls has been deployed to prevent unauthorized access. We are protecting our end-points by deployment of antivirus packages. We institutionalized Auto data backup solution that facilitated safe and secure data storage.

The Company has plan to deploy PM, DMS, MRP & CRP planning tools, QR code based Inventory Management and Robotic Process Automation tools to improve the overall productivity across the Company.

Risk Management

Apollo Pipes is aware of the risk management process that identifies, assesses and controls legal, financial, business and security risks to its capital and earnings. Risk management also examines the inherent relationship between the risks and the impact they have on Company's strategic targets.

Apollo Pipes comprehensively mitigates the risk by developing and enhancing options and actions to increase opportunities and reduce threats in the process. The Company successfully develops actionable risk mitigation strategies to ensure a successful project and program completion for business sustainability. The Company also develops matrices to determine risk status and develop methods and techniques to mitigate those risks.

Board of Directors



MR. SANJAY GUPTA
(CHAIRMAN, NON-EXECUTIVE)

Mr. Sanjay Gupta is an entrepreneur with an experience over three decades in various steel industry segments and he has spearheaded the Company's growth. He is serving as Chairman and Managing Director of APL Apollo Tubes Limited, one of the leading manufacturing Companies in Steel & Iron Pipe segment of India.



MR. SAMEER GUPTA
(MANAGING DIRECTOR)

Mr. Sameer Gupta has graduated from Shri Ram College of Commerce, Delhi University. He joined the family business in an early age and established the PVC Pipes unit business. Under his able leadership, the Company continues to reach newer heights, nurturing the values of hard work, commitment to quality, excellence & growth.



MR. SAKET AGARWAL*
(NON-EXECUTIVE DIRECTOR)

Mr. Saket Agarwal has more than 20 years of experience in Steel & Pipes Industry. A commerce graduate, he has held key managerial positions in various corporates.

*(Mr. Saket Agarwal has resigned from the directorship w.e.f. May 06, 2022.)



MR. ASHOK KUMAR GUPTA**
(NON-EXECUTIVE DIRECTOR)

Mr. Ashok Kumar Gupta holds a Master's degree in Physics and completed his PGDBA from AIMA. He is an industry veteran with over three decades of experience in working in critical management positions in reputed Organisations like SAIL, Jindal, Bhushan Steel, the L.N. Mittal Group and Shalimar Paints Limited.

** (Mr. Ashok Kumar Gupta was appointed as Director (Non- Executive and Non-Independent) w.e.f. May 06, 2022 and said appointment was subsequently approved by the members through Postal Ballot, on July 06, 2022.)



MR. PRADEEP KUMAR JAIN
(NON-EXECUTIVE,
INDEPENDENT DIRECTOR)

Mr. Pradeep Kumar Jain was the Executive Director in Oil and Natural Gas Corporation Limited (ONGC), an Indian national oil and gas company, i.e., Public Sector Undertaking (PSU) of the Government of India. He is a Postgraduate in Petroleum Technology and has graduated (B. Tech) from Indian School of Mines, Dhanbad (Now IIT, Dhanbad). Degree in Leadership Development Programme from Indian School of Business (ISB), Hyderabad.



MS. NEERU ABROL
(NON-EXECUTIVE, INDEPENDENT DIRECTOR)

A Chartered Accountant, Ms. Abrol has about four decades of rich professional experience in various sectors and positions. She worked for 26 years with Steel Authority of India Ltd at various critical management positions which have provided her with in-depth knowledge of the steel industry and its work flow. She is also the former Chairperson and Managing Director and Director Finance of National Fertilizers Ltd. Ms. Abrol is currently serving as Director at TCNS Clothing Co Limited, APL APOLLO Tubes Ltd, Apollo Tricoat Tubes Ltd, Stecol International Pvt Ltd and other companies. She is also associated with a couple of NGOs. She is recipient of multiple awards over her illustrious career including twice 'Business Achiever' by ICAI, 'Outstanding Woman Manager in Public Sector Enterprises' by SCOPE.



MR. ABHILASH LAL
(NON-EXECUTIVE,
INDEPENDENT DIRECTOR)

A mechanical engineer and postgraduate from IIM Bangalore, Mr. Abhilash Lal has 31 years of professional experience in senior roles across financial services, including banking, consulting, real estate, private equity and restructuring. He has led institutions across business development, strategy as well as operations.

Corporate Information

CHAIRMAN

Mr. Sanjay Gupta
(DIN: 00233188)

MANAGING DIRECTOR

Mr. Sameer Gupta
(DIN: 00005209)

DIRECTORS

Mr. Pradeep Kumar Jain (DIN: 08063400)

Ms. Neeru Abrol (DIN: 01279485)

*Mr. Saket Agarwal (DIN: 00203084)

Mr. Abhilash Lal (DIN:03203177)

**Mr. Ashok Kumar Gupta (DIN: 01722395)

CHIEF FINANCIAL OFFICER

Mr. Ajay Kumar Jain

COMPANY SECRETARY

Mr. Ankit Sharma

*Mr. Saket Agarwal has resigned from the directorship w.e.f. May 06, 2022

**Mr. Ashok Kumar Gupta was appointed as Director (Non- Executive and Non- Independent) w.e.f. May 06, 2022 and said appointment was subsequently approved by the members through Postal Ballot, on July 06, 2022.

REGISTERED OFFICE

37, Hargobind Enclave,
Vikas Marg, Delhi – 110092

CORPORATE OFFICE

Plot No. A-140, Sector-136,
Noida, Uttar Pradesh – 201301

REGISTRAR AND SHARE TRANSFER AGENT

M/s. Beetal Financial &
Computer Services Private
Limited
Beetal House, 3rd Floor,
99 Madangir, Behind Local
Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi - 110062

BANKERS

Axis Bank
Citi Bank
DBS Bank
HDFC Bank
ICICI Bank
Kotak Mahindra Bank

AUDITORS

STATUTORY AUDITORS
M/s VAPS & Co. Chartered Accountants
C-42, South Extension Part-II, New
Delhi-110049

COST AUDITORS

M/s HMVN & Associates, Cost
Accountants
1011, Pearls Best Heights-II, C-9, Netaji
Subhash Place, Pitampura, Delhi-110034

SECRETARIAL AUDITOR

M/s Anjali Yadav & Associates
B-6/32, Sector-15, Rohini, Delhi-110085

INTERNAL AUDITOR

M/s Ernst & Young LLP
Golf View, Corporate Tower-B, Sector-42,
Sector Road, Gurugram, Haryana-122002

WORKS

Unit – 1

Khasra no.2928 JHA, 2907 to
2916 and 2930 to 2938,
Dhoom Manik pur, G T Road,
Dadri, Gautam Buddha Nagar,
Uttar Pradesh, 203207

Unit –2

Plot No. D-20 & E-6, E-8,
Industrial Area, Sikanderabad,
Bulandshahar,
Uttar Pradesh - 203205

Unit-3

Plot No. 359 and 374, Off Rajkot
Highway, Kochariya Bavla,
Ahmedabad, Gujarat – 382220

Unit-4

Plot No. 172-B and 173-A,
Vasanthanarasapura Industrial
Area, Village-Nagenahalli, Kora
Hobli, Tumkur, Karnataka, 572128

Unit-5

P.C.98/24, Village- Sankara,
Dharsiwa, Bilaspur Road,
Tehsil-Raipur,
Chhattisgarh - 493221

Board's Report

To the members of

Apollo Pipes Limited,

Your Directors are pleased to present the 36th Annual Report on the business and operations of your Company along with the Audited Financial Statement for the financial year ended March 31, 2022.

FINANCIAL PERFORMANCE:

The Company's financial performance for the year under review along with the previous year's figures is given hereunder:

Particulars	₹ In Lakh	
	FY 2021-22	FY 2020-21
Gross sales	78,407.54	51,806.83
Add : Other income	379.36	841.15
Total revenue	78,786.90	52,647.98
Operating expenses	69,068.41	44,381.80
EBITDA	9,718.49	8,266.17
Less : Finance cost	428.77	436.26
Less : Depreciation and amortization	2,570.16	1,762.76
Profit before tax (PBT)	6,719.56	6,067.16
Less : Tax expense	1,743.07	1,619.72
Profit after tax for the year (PAT)	4,976.49	4,447.43

The Company's gross turnover in financial year 2021-22 increased significantly by 51% from ₹51,806.83 lakh to ₹78,407.54 lakh. The EBITDA has been increased by 18% from ₹8,266.17 lakh to ₹9,718.49 lakh for the year under review. The net profit of the Company has also increased by 12% from ₹4,447.43 lakh to ₹4,976.49 lakh during the year under review.

DIVIDEND

The Board of Directors of the Company is pleased to recommend a dividend @10% (₹1 per share) as final dividend on the equity shares for the year 2021-22 subject to declaration of the same by the members at the ensuing Annual General Meeting. The payment of dividend will be subject to deduction of applicable taxes.

Pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company has Dividend Distribution policy. During the year, there have been no changes to the policy and the same is available on our website at <https://www.apollopipes.com/media/product/Microsoft%20Word%20-%202028.%20Dividend%20Distribution%20Policy.docx.pdf>.

TRANSFER TO RESERVES

The Board of Directors of your Company, has decided not to transfer any amount to the Reserves for the year under review.

OVERVIEW

Economic activity gathered significant momentum as the intensity of second wave of the pandemic reduced. This was owing to a combination of factors namely pent-up demand and growing exports opportunities.

As a result, the Indian economy reported an aggressive rebound with an 8.7% growth in GDP against a 6.6% contraction in FY21. The change was facilitated by all segments of the economy. Exports touched an all-time high as did government revenues.

The pace of progress was thwarted towards the close of the fiscal owing to the geopolitical crisis that surfaced in February 2022. The inflationary headwinds owing to this crisis resulted in shoring up the cost structures for enterprises across the board.

India's economic progress in FY23 is expected to remain muted owing to the prevailing inflation. The Government's efforts to control inflation (rise in interest rates) could impact public and private investments.

BUSINESS PERFORMANCE

Despite an anxious start to FY22 owing to the onset of the second wave of the pandemic, the Company improved its performance on all counts. The highlight of the year was the commissioning of the Raipur facility which paves the way for a stronger presence in East and Central India.

The Company continued to widen its product basket, increase operating capacities at its existing facilities and expand its dealer base to strengthen its presence in key markets. The

Company intensified its branding and awareness initiatives by on-boarding Bollywood celebrities for key product categories. It extensively used the electronic and social media platforms to reach out to every corner of the nation.

PROSPECTS

With the real estate sector coming out of the woods, especially in non-urban cities and towns, the demand for the Company's products should continue to scale northward. Moreover, the Company's focus on strengthening its presence in the East, should generate heartening volumes in the current year.

PROJECTS

In keeping with the growing demand for the Company's products – primarily tanks and fittings – the Company undertook and successfully completed its brownfield manufacturing extensions across facilities located at Dadri, Tumkur, and Sikanderabad. The Company's greenfield facility at Raipur has commenced its commercial productions w.e.f. September 21, 2021.

IMPACT OF COVID 19

India was hit hard by the 2nd wave of COVID – 19 pandemic in April 2021. The state governments started announcing simultaneous lockdowns across the country. The intensity of the wave was significant as the virus percolated from urban pincodes into the rural ecosystem where the healthcare infrastructure and services are extremely wanting. Lives and livelihoods were lost in great numbers. But a resilient India flattened the curve in a relatively short time. For the Company, the major impact of the second wave was felt in the first quarter with both revenue and profit being affected. With the unlocking of the economy and commercial enterprises, pent-up demand surfaced which allowed the Company to accelerate business activities.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls within the meaning of Section 134(5)(e) of the Companies Act, 2013 (the "Act"). For the financial year ended March 31, 2022, the Board is of the opinion that the Company had sound Internal Financial Controls commensurate with the size and nature of its operations and are operating effectively and no reportable material weakness was observed in the system during the year.

Based on annual Internal Audit programme as approved by Audit Committee of the Board, regular internal audits are conducted covering all offices, factories, and key areas of the business. Findings are placed before Audit Committee,

which reviews and discusses the actions taken with the management. The Audit Committee also reviews the effectiveness of Company's internal controls and regularly monitors implementation of audit recommendations.

There are existing internal policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

ANNUAL RETURN

In accordance with the provisions of Section 134(3)(a) of the Act, the Annual Return as required under Section 92 of the Act for the financial year 2021-22, is available on the Company's website <https://www.apollopipes.com/extract-of-annual-return#investor>.

SUBSIDIARIES COMPANIES, JOINT VENTURES AND ASSOCIATES

During the year under review, the Company had no subsidiary, joint venture(s) or associate(s) companies. Hence, disclosure in form AOC-1 is not applicable to the Company.

DEPOSITS

Your Company has neither accepted nor renewed any public deposits within the meaning of Section 73 of the Act read with Companies (Acceptance of Deposits) Rules, 2014, during the year under report.

SHARE CAPITAL

As on March 31, 2022, the authorized share capital of the Company stood at ₹45,00,00,000/- (Rupees Forty Five Crore only) divided into 4,50,00,000 (Four Crore Fifty Lakh) equity shares of ₹10/- (Rupees Ten only) each.

The paid up Equity Share capital of the Company as on March 31, 2022 was ₹39,32,82,060/- (Rupees Thirty Nine Crore Thirty Two Lakh Eighty Two Thousand and Sixty only) divided into 3,93,28,206 (Three Crore Ninety Three Lakh Twenty Eight Thousand Two Hundred and Six only) equity shares of ₹10/- (Rupees Ten only) each.

During the year Company had allotted 2,62,18,804 (Two Crore Sixty Two Lakh Eighteen Thousand Eight Hundred and Four only) equity shares of ₹10/- (Rupees Ten only) each fully paid up, as Bonus in ratio of 2:1, i.e., Two Bonus shares of ₹10/- each fully paid up for every one existing share. Thereby, equity share capital of the Company had been increased from ₹13,10,94,020 (Rupees Thirteen Crore Ten Lakh Ninety Four Thousand and Twenty only) to ₹39,32,82,060/- (Rupees Thirty Nine Crore Thirty Two Lakh Eighty Two Thousand and Sixty only).

The Company has neither issued shares with differential voting rights nor has issued any sweat equity shares.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Act and in terms of Articles of Association of the Company, Mr. Sanjay Gupta will retire at the ensuing Annual General Meeting (AGM) and being eligible, offer himself for reappointment.

The Company has received declaration from all the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed both under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"). Further, pursuant to the Regulation 25(8) of the Listing Regulations, Independent Directors of the Company declared that they are not aware of any circumstances or situation that exists or can be anticipated which could render them incapable of performing their duties with reasonable independent judgement and without any external influence. The Board took the same on record after undertaking assessment of its veracity. In the opinion of the Board, all Independent Directors possess strong sense of integrity and having requisite experience, qualification and expertise.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as provided in Section 149(6) read with schedule IV of the Act and also Regulation 16(l)(b) of the Listing Regulations and are independent of the management.

Composition of the Board of Directors of the Company as on 31.03.2022:

1. Mr. Sameer Gupta (DIN: 00005209) - Managing Director (Executive)
2. Mr. Sanjay Gupta (DIN: 00233188) - Chairman (Non-executive Director)
3. *Mr. Saket Agarwal (DIN: 00203084) - Director (Non-Executive and Non-Independent)
4. Mr. Pradeep Kumar Jain (DIN: 08063400) - Director (Non-Executive and Independent)
5. Ms. Neeru Abrol (DIN: 01279485) - Director (Non-Executive and Independent)
6. Mr. Abhilash Lal (DIN: 03203177) - Director (Non-Executive and Independent)

* Mr. Saket Agarwal has resigned from the directorship w.e.f. May 06, 2022.

* Mr. Ashok Kumar Gupta was appointed as Director (Non-Executive and Non-Independent) w.e.f. May 06, 2022 and said appointment was subsequently approved by the members through Postal Ballot, on July 06, 2022.

PARTICULARS OF REMUNERATION

Disclosure of ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company and other requisite details pursuant to Section

197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is annexed to this report as **Annexure 'A'**. Further, particulars of employees pursuant to Rule 5(2) & 5(3) of the above Rules form part of this report. However, in terms of provisions of section 136 of the said Act, the report and accounts are being sent to all the members of the Company and others entitled thereto, excluding the said particulars of employees. Any member interested in obtaining such particulars may write to the Company Secretary at E-mail - compliance@apollopipes.com. The said information is available for inspection at the registered office of the Company during working days of the Company up to the date of the ensuing Annual General Meeting.

AUDITORS AND AUDITORS' REPORT

A. Statutory Auditors

In terms of provisions of the Act, M/s. VAPS & Company, Chartered Accountants, (Firm Registration No. 003612N) had been appointed as Statutory Auditors of the Company in the 34th Annual General Meeting held on September 29, 2020 to hold the office from the conclusion of the said Annual General Meeting till the conclusion of the 39th Annual General Meeting to be held in year 2025.

The report of Statutory Auditor on the financial statements for the financial year ended on March 31, 2022, is self-explanatory and does not contain any qualification, reservation or adverse remark or disclaimer. The Auditor has not reported any incidence of fraud under section 143(12) of the Act, during the period under review.

B. Cost Auditors

In terms of Section 148 of the Act, the Company is required to get the audit of its cost records conducted by a Cost Accountant. In this connection, the Board of Directors of the Company in its meeting held on July 26, 2022 had, upon the recommendation of the Audit Committee, approved the appointment of M/s HVMN & Associates, Cost Accountants (FRN: 000290) as the Cost Auditors of the Company for the year ended March 31, 2023.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company. Accordingly, appropriate resolution will form part of the Notice convening the AGM. The approval of the members is sought for the proposed remuneration payable to the Cost Auditors for the financial year ending March 31, 2023.

M/s HVMN & Associates, Cost Accountants (FRN: 000290), have vast experience in the field of cost audit and have been conducting the audit of the cost records of various

big Companies for many years. The Cost Audit Report of the Company for the financial year ended March 31, 2022 will be filed with the MCA. The Company has maintained accounts and records as specified under sub-section (1) of 148 of the Act.

C. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act, the Board of Directors had appointed M/s Anjali Yadav & Associates, Company Secretaries in practice, as Secretarial Auditor to carry out the Secretarial Audit of the Company for the financial year 2021-22. The report given by them for the said financial year in the prescribed format is annexed to this report as **Annexure 'B'**. The Secretarial Audit Report is self-explanatory and does not contain any qualification, reservation or adverse remark etc.

RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2022, all the contracts or arrangements or transactions entered into by the Company with the related parties were in the ordinary course of business and on 'arm's length' basis and were in compliance with the applicable provisions of the Act read with Regulation 23 of the Listing Regulations.

Further, the Company has not entered into any contract or arrangement or transaction with the related parties which were not on 'arm's length' basis or which could be considered material in accordance with the policy of the Company on materiality of related party transactions. In view of the above, it is not required to provide the specific disclosure of related party transactions in form AOC-2.

Your Directors draw attention of the members to note no. 40 to the Financial Statement which sets out related party disclosures.

EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company, under the Apollo Pipes Limited Employee Stock Option Scheme – 2020 "the Scheme", approved by the shareholders vide a postal ballot on April 23, 2020, grants share-based benefits to eligible employees of the Company with a view to attracting and retaining the best talent, encouraging employees to align individual performances with Company's objectives, and promoting increased participation by them in the growth of the Company. The total number of equity shares to be allotted pursuant to the exercise of the stock incentives under the Scheme to the employees of the Company shall not exceed 4,00,000 equity shares. The following disclosures are being made under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the said disclosure is also available on the website of the Company at www.apollopipes.com.

S. No.	Particulars	Apollo Pipes Limited Employee Stock Option Scheme – 2020
1	Options granted	2,74,200
2	Options vested;	The said options shall vest, as under:- • At the end of 1 st year from the grant date - 25% of options granted. • At the end of 2 nd year from the grant date - 25% of options granted. • At the end of 3 rd year from the grant date - 25% of options granted. • At the end of 4 th year from the grant date - 25% of options granted.
3	Options exercised	51,300
4	Total number of shares arising as a result of exercise of option	53700
5	Options lapsed	76,500
6	Exercise price	Since the shares were acquired from the secondary market, the exercise price is fixed at ₹498/- per option. (Company had issued 2 bonus shares of ₹10 each, for every 1 existing share, consequently, for every 1 stock option, 3 equity shares were granted)
7	Variation of terms of options	Not Applicable
8	Money realized by exercise of options	-
9	Total number of options in force	1,46,400
10	Employee wise details of options granted to:-	
	(i) Key managerial personnel;	
	- Mr. Ajay Kumar Jain	12,000
	- Mr. Ankit Sharma	6,000
	(ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	
	- Mr. Parag Dadeech*	15,000
	(iii) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	NIL

*Mr. Parag Dadeech was appointed as Chief Operating Officer w.e.f. December 01, 2020 and he was granted 15,000 ESOP options pursuant to the above ESOP scheme and subject to the above mentioned vesting schedule. However, due to personal reasons, he had resigned from office on April 09, 2021 thereby his options stand cancelled and added back to ESOP pool.

Note : All figures were mentioned after taking impact of Bonus Issue of Shares.

The Certificate from the Secretarial Auditors of the Company certifying that the scheme is being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolution passed by the Members, would be placed at the Annual General Meeting for inspection by Members.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 134 sub-section 3(c) and sub-section 5 of the Act, your Directors to the best of their knowledge hereby state and confirm that:

- In the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting

standards have been followed along with proper explanations relating to material departures.

- Such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent to give a true and fair view of the Company's state of affairs as at March 31, 2022 and of the Company's profit for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- The annual financial statements have been prepared on a going concern basis.
- The internal financial controls were laid down to be followed that and such internal financial controls were adequate and were operating effectively.
- Proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In line with the provisions of Section 135, Schedule VII of the Act, the Company has framed its Corporate Social Responsibility (CSR) policy for development of programmes and projects for the benefit of weaker sections of the society and the same has been approved by Corporate Social Responsibility Committee (CSR Committee) and the Board of Directors of the Company. The Corporate Social Responsibility (CSR) policy of the Company provides a road map for its CSR activities.

During the year under review, the Company has made contribution of ₹91.40 lakh for various CSR purposes in compliance to the provisions of the Act relating to Corporate Social Responsibility.

The Annual Report on CSR activities containing the all requisite details is annexed herewith as **Annexure 'C'**.

The CSR Policy has been uploaded on the Company's website and may be accessed at the link: https://www.apollopipes.com/media/product/244084920_CSR_Policy_of_Apollo_Pipes_Limited.pdf.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

In terms of Section 186 of the Act and rules framed thereunder, details of Loans, Guarantees given and Investments made have been disclosed in the Note no. 12 of the financial statements for the year ended March 31, 2022.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Act read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014, is furnished as **Annexure 'D'**, forming part of this Report.

CORPORATE GOVERNANCE

Your Company reaffirms its commitment to the highest standards of corporate governance practices. Pursuant to Regulation 34 read with schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

the Corporate Governance Report is annexed to this report as **Annexure 'E'**.

The Corporate Governance Report which forms part of this report, inter-alia, also covers the following:

- Particulars of the five Board Meetings held during the financial year under review.
- Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management including, inter alia, the criteria for performance evaluation of Directors.
- The manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.
- The details with respect to composition of Audit Committee and establishment of Vigil Mechanism.
- Details regarding Risk Management.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per the requirement of Regulation 34(2) (e) and Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, a detailed Management Discussion and Analysis Report forms part of the Annual Report of the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

During the period under review, the Company has duly complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has complied with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has in place a Policy on Prevention of Sexual Harassment at the Workplace in line with the provisions of the said Act and an Internal Complaints Committee has also been set up to redress complaints received regarding Sexual Harassment.

No complaint of sexual harassment was received during the financial year 2021-22.

OTHER DISCLOSURES AND REPORTING

Your Directors state that no disclosure or reporting is required with respect to the following items as there were no transactions on these items during the year under review:

1. Change in the nature of business of the Company.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this report.
3. Significant or material orders passed by the regulators or courts or tribunal which impacts the going concern status and Company's operations in future.
4. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.
5. During the year under review no applications was filed under Insolvency and Bankruptcy Code, 2016.

APPRECIATION

Yours Directors take this opportunity to express their appreciation for the co-operation received from the customers, vendors, bankers, stock exchanges, depositories, auditors, legal advisors, consultants, stakeholders, business associates, Government of India, State Government and Local Bodies during the period under review. The Directors also wish to place on record their appreciation of the devoted and dedicated services rendered by the employees of the Company.

For and on behalf of Board of Directors of
Apollo Pipes Limited

Sd/-

Sanjay Gupta
Chairman

(DIN: 00233188)

Place: Noida

Date: July 26, 2022

Annexure 'A'

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

- (1) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22: The ratio of the remuneration of Mr. Sameer Gupta, Managing Director to the median remuneration of the employees of the Company is 50.20. Sitting Fees paid to the Directors has not been considered as remuneration for the purposes of calculating the median remuneration.
- (2) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22. Mr. Sameer Gupta, Managing Director, Nil, Mr. Ajay Kumar Jain, Chief Financial Officer 10% and Mr. Ankit Sharma, Company Secretary 19%.
- (3) The percentage decrease in the median remuneration of employees for the financial year 2021-22 is 25.57%
- (4) The number of permanent employees on the rolls of the Company as on March 31, 2022 is 620.
- (5) The average increase in the managerial remuneration for the FY 2021-22 is 2.42% and the average increase in the salary of employees other than managerial personnel for the FY 2021-22 is 43.04%. Managerial Personnel includes Chairman, Managing Director, Executive Director, Chief Financial Officer and Company Secretary.
- (6) We affirm that the remuneration paid in the financial year 2021-22 is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management of the Company.

Note:

- 1) Remuneration of Managerial Personnel is considered excluding ESOP granted to them.
- 2) The increase in number of employees and no change in remuneration of Managing Director during the reporting period, lead to decrease in median remuneration at point number 3 and increase in remuneration of employees other than managerial personnel at point number 5.

For and on behalf of Board of Directors of
Apollo Pipes Limited

Sd/-

Sanjay Gupta
Chairman

(DIN: 00233188)

Place: Noida

Date: July 26, 2022

Annexure-B

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Apollo Pipes Limited
37, Hargobind Enclave, Vikas Marg,
Delhi- 110092

We, Anjali Yadav & Associates, Company Secretaries, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by APOLLO PIPES LIMITED (CIN:L65999DL1985PLC022723) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (as amended) ('the Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (as amended) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 (as amended) and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;- Not applicable to the Company during the audit period
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time);
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time);
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time);
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time);
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme, Employee Stock Purchase Scheme) Guidelines, 1999 and ¹Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (as amended);
 - f) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 (as amended);
 - g) ²The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)

- h) ³The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (as amended); (Not applicable to the Company during the audit period)
- i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended); (Not applicable to the Company during the audit period)
- j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (as amended);
- k) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (as amended); - Not applicable to the Company during the audit period
- l) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (as amended); - Not applicable to the Company during the audit period
- m) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; (as amended)

- (vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws including but not limited to:-
 - (a) Factories Act, 1948
 - (b) Environment (Protection) Act, 1986
 - (c) The Water (Prevention & Control of Pollution) Act, 1974
 - (d) Hazardous Wastes (Management, Handling & Transboundary Movement) Amendment Rules, 2013
 - (e) Air (Prevention & Control of Pollution) Act, 1981
 - (f) Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - (g) Payment of Wages Act, 1936
 - (h) Payment of Gratuity Act, 1972
 - (i) Contract Labour (Regulation & Abolition) Act, 1970
 - (j) Industrial Disputes Act, 1947
 - (k) Minimum Wages Act, 1948
 - (l) Payment of Bonus Act, 1965
 - (m) Industrial Employment (Standing Orders) Act, 1946
 - (n) Trade Union Act, 1926
 - (o) Workmen Compensation Act, 1923
 - (p) Industries (Development & Regulation) Act, 1951
 - (q) Employees State Insurance Act, 1948

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard- 1 (Meetings of Board of Directors) issued by The Institute of Company Secretaries of India.
- (ii) Secretarial Standard- 2 (General Meetings) issued by The Institute of Company Secretaries of India.
- (iii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Footnotes:

¹The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and SEBI (Issue of Sweat Equity) Regulations, 2002 (as amended) have been merged into The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021; (as amended).

^{2,3}The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (as amended) have been merged into Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (as amended) provided at point (v) to the report.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

Compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit as the same has been subject to review by the Statutory Auditors and others designated professionals.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Further, there are no changes took place in the composition of the Board of Directors during the financial year.

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance to all the Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that:

Based on the review of the compliance reports and the certificates of the Company Executive taken on record by the Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

We further report that:

- (i) The Company has increased its authorised share capital from ₹16,55,00,000/- (Rupees Sixteen Crores Fifty Five Lakhs Only) divided into 1,65,50,000 (One Crore Sixty Five Lakhs Fifty Thousand Only) equity shares of ₹10/- each to ₹45,00,00,000/- (Rupees Forty Five Crores Only) divided into 4,50,00,000 (Four Crores Fifty Lakhs Only) equity shares of ₹10/- each and consequently, altered the existing clause V of the Memorandum of Association of the Company by passing the ordinary resolution on 26th November, 2021 through Postal Ballot;
- (ii) The Company has obtained the approval of its members on 26th November, 2021 through Postal Ballot for capitalization of a sum not exceeding ₹26,21,88,040/- (Rupees Twenty Six Crores Twenty One Lakhs Eighty Eight Thousand Forty Only) from and out of reserves and/or the securities premium account and/or the capital redemption reserve account for the purpose of issue of bonus equity shares of ₹10/- each, credited as fully paid to the eligible members of the Company holding equity shares of ₹10/- each of the Company as on Record date in the proportion of 2 (Two) new fully paid-up equity share of ₹10/- each for every 1 (One) existing fully paid-up equity shares of ₹10/-;
- (iii) The Board of Directors has made an allotment of 2,62,18,804 equity shares of ₹10/- each as fully paid up bonus equity shares, in the ratio of two (2) equity share of ₹10/- each for every one (1) existing equity share of ₹10/- in its Meeting of Finance Committee of Board of Directors held on 6th December, 2021;

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

For Anjali Yadav & Associates
Company Secretaries

Sd/-

Anjali Yadav

Proprietor

FCS No.: 6628

C P No.: 7257

PR: 629/2019

Place: New Delhi

Date: July 26, 2022

UDIN: F006628D000684019

Annexure A

To,

The Members,

Apollo Pipes Limited

37, Hargobind Enclave, Vikas Marg,

Delhi- 110092

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records, cost records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Anjali Yadav & Associates

Company Secretaries

Sd/-

Anjali Yadav

Proprietor

FCS No.: 6628

C P No.: 7257

PR: 629/2019

Place: New Delhi

Date: July 26, 2022

UDIN: F006628D000684019

Annexure 'C'

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2021-22

1. Brief outline on CSR Policy of the Company. Corporate Social Responsibility (CSR) builds a dynamic relationship between a Company on one hand and the society and environment on the other. CSR is traditionally driven by a moral obligation and philanthropic spirit. Over time, it has become an integral part of business. Apollo Pipes Limited ("Company") has been engaged in charities and philanthropic activities, along with a number of others social activities. The key objective is to promote education, fight against hunger, and provide medical relief help in combating chronic disease and addressing environmental issues.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Pradeep Kumar Jain	Independent Director (Chairman)	2	2
2	Mr. Sanjay Gupta	Non-Executive Director (Member)	2	1
3	Mr. Sameer Gupta	Managing Director (Member)	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.apollopipes.com

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): NA

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2021-22	33,000	-
	TOTAL	33,000	-

6. Average net profit of the Company as per section 135(5): ₹4,412.09 Lakhs for FY 2021-22.

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹88.24 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NA

(c) Amount required to be set off for the financial year, if any: ₹0.33 Lakhs

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹87.91 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹91,40,000			NA		

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No).	State	District	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Through Direct (Yes/No)	Mode of Implementation - Through Implementing Agency

NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
				State.	District.			Name.	CSR Registration Number
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	State.	District.	Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Name.	CSR Registration Number
1	Promotion of educational activity "PAHAL"	(ii)		Across India	-	₹66,39,000/-	Yes	Not Applicable	-
2	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	(viii)		Across India-	-	₹4,00,000/-	Yes	Not Applicable	-
3	Jal Shakti Programme (Water Availability Programme)	(i)		U.P.	Gautam Buddha Nagar	₹21,01,000/-	No	Shuddhi NGO	CSR00010549
	TOTAL					₹91,40,000/-			

(d) Amount spent in Administrative Overheads. **NIL**

(e) Amount spent on Impact Assessment, if applicable. **NA**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹91.40 Lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	88.24 Lakhs
(ii)	Total amount spent for the financial year	91.40 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3.16 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3.16 Lakhs

9. (a) Details of Unspent CSR amount for the preceding three financial years: **N/A**

(b) Details of CSR amount spent in the financial year for ongoing projects of the financial year(s): **N/A**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): **N/A**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **N/A**

Sd/-

Mr. Sameer Gupta
(Managing Director)

Place: Noida

Date: July 26, 2022

Sd/-

Mr. Pradeep Kumar Jain
(Chairman CSR Committee)

Annexure 'D'

DISCLOSURE PURSUANT TO SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 (CHAPTER IX) FOR CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

I. CONSERVATION OF ENERGY.

Steps taken or impact on conservation of energy:

- To know the energy utilization, Company has installed sub-meters on each machine at every mill, to record the energy utilization at machine level, Energy meters installed are monitoring on regularly basis, supporting data available for POWER MIS, basis which we keep tracking the utilization & losses in distribution, thereby taking initiative in optimal utilization of Power and minimizing energy wastage at each level. Necessary initiative to upgrade/ revamp equipment are accordingly decided thereby saving energy and in turn saving cost.
- Company already have rooftop solar plant at its manufacturing unit at Dadri, Uttar Pradesh, with a total capacity of 1.40 MW. Company has further signed an agreement to purchase 4.50 MW electricity generated through solar resources from M/s AMP SOLAR to be used at Dadri Unit by making a capital investment of about ₹1.26 crore on energy conservation, as the Electricity so purchased will be cheaper than the prevailing rates, with minimum savings guaranteed to us in the Power Purchase Agreement.

II. TECHNOLOGY ABSORPTION

- The efforts made towards technology absorption: Company is using SAP (Systems Applications and Products) software platform, which has helped in maintaining the whole database at one place, generating timely reports and monitoring of files and data. It enabled proper control over process and also helped the Company in analyzing the losses, rejection, defects and other factors that require attention to bring operational excellence.
- Quality SAP is one major step forward towards technology absorption which the Company is planning to implement. As well as, all the new machinery bought or planned to buy in future are IoT enabled and capable of digital data transfer for A.I and Virtual control.
- Company continues to lay emphasis on development and innovation of in-house technological and technical skills. Constant efforts are being made to upgrade the existing standards and to keep pace with the advances in technological innovations.

III BENEFITS DERIVED WITH ABOVE EFFORTS:

- Tracking the usage and booking of RM, Scrap, SFG & FG has helped in cost reduction by giving a clear idea about planned versus actual, thus, helping in better planning, monitoring the operations.
- The above said efforts have also contributed towards improvement in the existing process, thus enabling the Company to cater to the needs of diverse industrial applications

IV FURTHER INITIATIVES TOWARDS ENERGY CONSERVATION IN FY 2021-22

- 200 KVAR DC AMF panel installed to improve power factor & minimize loss at 33 KV HT Electricity lines.
- Started In-house facility of Oil Filtration for hydraulic oil for re-use in equipment.
- Availability of 24x7 breakdown maintenance team, to ensure minimum down time & utilize resources optimally.

V WAY FORWARD TOWARDS ENERGY CONSERVATION IN THE YEARS AHEAD

- Replacement of old equipment with new and more energy efficient ones.
- Upgradation of Machines with more of IOT enabled equipment capable of digital data transfer for A.I and Virtual control.
- Creation of redundancy at every level for optimal utilization of resources & uninterrupted operations 24x7.
- Adopting & using means for reduction in Machine efficiency & generation of scrap like :
 - De- scaling plants for Mold De -scaling,
 - Use of treated water by installation of RO Plant

- Insulation of Chiller Lines to ensure loss of heat during transfer.
- Proper disposal of scrap- recording & monitoring for implementing efficient means.

VI RESERCH & DEVELOPMENTS:

Existing:

- In- House CPVC Compounding for Pipes & Fittings optimized.
 - Solid Experience of Manufacturing pipes with Set specifications
- Well Penetrated distribution network to reduce logistics cost at all level of operations.

WAY AHEAD

- Planned to Launch New Products in PPR – Pipes & Fittings: all necessary initiatives towards installation of new Machines both Extruders & Injection Molding Machines has been taken for immediate launch of new products in PPR Range
- Company will continue with its activities in the field of research & developments to further improve the quality of Products with a view to introduce new & innovative, environment friendly products.
- Working on introducing water storage tank variants for better penetration in market.

VII. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	(₹ in lakhs)	
	FY 2021-22	FY 2020-21
Foreign exchange earnings	279.51	220.70
Foreign exchange outgo	24,845.57	17,044.32

For and on behalf of Board of Directors of
Apollo Pipes Limited

Sd/-
Sanjay Gupta
Chairman
(DIN: 00233188)

Place: Noida
Date: 26th July, 2022

Annexure 'E'

Corporate Governance Report

1. COMPANY'S GOVERNANCE PHILOSOPHY:

Corporate Governance at Apollo Pipes Limited has been a continuous journey and the business goals of the Company are aimed at the overall well-being and welfare of all the constituents of the system. The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of experts of eminence and integrity, forming a core group of top level executives, inducting competent professionals across the organization and putting in place appropriate systems, process and technology. It is believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but in practicing it.

The Company strives to adopt all such corporate practices that are based on transparency and proper disclosures and ensure accountability of the persons in key positions thereby ensuring that the interest of all stakeholders is balanced.

The Company has laid down desirable codes and policies such as Code of Conduct for Board Members and Senior Management Personnel, Code of Conduct for Prevention of Insider Trading, Whistle Blower Policy, Web Archival Policy, Policy on preservation of documents, Policy on Dividend Distribution, Policy for determining the Materiality of Events, Policy on Materiality of Related Party Transactions and dealings with Related Party Transactions, Policy for determining Material Subsidiaries etc.

The internal control systems and their adequacy is overseen by the Audit Committee so as to bring transparency in decision making.

2.1 BOARD OF DIRECTORS:

As on March 31, 2022, the Board of Directors consists of 6 (Six) Directors out of which 1 (one) is Executive Director and 5 (Five) are Non-Executive Directors. Out of 5 (five) Non-executive Directors, 3 (three) are Independent Directors.

Relevant details of the same are as given hereunder:

Name of Director	Category	No. of Board Meetings attended during FY 2021-22	Attendance in last AGM held on 02 September, 2021	No. of equity shares held	No. of other Directorships and Committee Memberships / Chairmanships		
					Other Directorships [§]	Other Membership ^{**}	Other Chairmanship ^{**}
Mr. Sameer Gupta	P, MD & E	5	Present	96,72,762	-	-	-
Mr. Sanjay Gupta*	NEC	1	Absent	4,84,200	6	-	-
Mr. Saket Agarwal [#]	NE	4	Present	5,53,845	0	-	-
Ms. Neeru Abrol [@]	NE & I	5	Present	Nil	4	5	2
Mr. Pradeep Kumar Jain [@]	NE & I	5	Present	Nil	-	-	-
Mr. Abhilash Lal [@]	NE & I	5	Present	Nil	2	3	-

P= Promoter, NEC= Non-executive Chairman, MD= Managing Director, NE= Non-Executive Director, I= Independent Director and E= Executive Director.

*Sanjay Gupta hold shares in Apollo Pipes Limited as Karta of "Sanjay Gupta HUF" (Promoter of Company).

**only covers Memberships/Chairmanships of Audit Committee and Stakeholders' Relationship Committee.

§ excludes Directorships in Private Limited Companies, Foreign Companies, memberships of Managing Committees of various Chambers/bodies /Section 8 Companies. Independent Directorships held by the Directors are in accordance with the Listing Regulations.

@ The appointment of Independent Directors is in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and they fulfil the conditions specified in the Listing Regulations and are independent of the management of the Company.

There is no relationship inter se Directors except that Mr. Sanjay Gupta is elder brother of Mr. Sameer Gupta.

Note:

- Mr. Saket Agarwal has resigned from the directorship w.e.f. May 06, 2022.
- Mr. Ashok Kumar Gupta was appointed as Director (Non-Executive and Non-Independent) w.e.f. May 06, 2022 and said appointment was subsequently approved by the members through Postal Ballot, on July 06, 2022.

2.2 NAME OF THE LISTED ENTITIES WHERE DIRECTOR IS A DIRECTOR, OTHER THAN APOLLO PIPES LIMITED:

Name of Director	Name of the Listed Entities	Category
Mr. Sanjay Gupta	APL Apollo Tubes Limited	Chairman and Managing Director
Ms. Neeru Abrol	TCNS Clothing Co. Ltd.	Independent Director
	APL Apollo Tubes Limited	Independent Director
	Apollo Tricoat Tubes Limited	Independent Director
Mr. Abhilash Lal	APL Apollo Tubes Limited	Independent Director
	Ganesha Ecosphere Limited	Independent Director

2.3 DATE AND NUMBER OF BOARD MEETINGS HELD

Five (5) Board Meetings were held during the financial year 2021-22 i.e., on May 04, 2021, July 26, 2021, October 22, 2021, January 24, 2022 and March 16, 2022. The maximum time gap between any two consecutive meetings was not more than one hundred and twenty days.

3. INDEPENDENT DIRECTORS

Independent Directors of the Company are required to comply with the requirements of the "Code of conduct for Directors and Senior Management of the Apollo Pipes Limited", "Code of internal procedures and conduct for regulating, monitoring and reporting of trading by insiders".

All the Independent Directors have affirmed that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 ("Act") and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Further, in the opinion of the board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management. No Independent Director is related to any other Director of the Company.

Terms and conditions for appointment of Independent Directors is available in Investors section on website of the Company viz. https://www.apollopipes.com/media/product/313257176_Terms_and_conditions_for_appointment_of_Independent_Directors.pdf.

In accordance with the provisions of Schedule IV of the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on January 13, 2022. Mr. Abhilash Lal was unanimously elected as Chairman of the meeting and all the Independent Directors of the Company were present at the said Meeting. The meeting was conducted in terms of agenda items and proceedings was satisfactory to the members. No material observation was found in their meeting.

At the said meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairman after taking into account the views of the Executive Directors and Non-Executive Directors. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

The results of the above evaluation, assessment etc. were found satisfactory to the Independent Directors.

4. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In accordance with the provisions of Regulation 25(7) of the Listing Regulations, the Company has been conducting various familiarization programmes for Independent Directors. The details of such familiarization programmes for Independent Directors have been disclosed on the website of the Company, the web link for which is https://www.apollopipes.com/media/product/Familiarization_Programme_for_Independent_Directors.pdf.

5. BOARD SKILLS, EXPERTISE OR COMPETENCE

The Board of Directors possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, operations, research, corporate governance, education, community service or other disciplines.

Names of Directors having the above skills, expertise and competence:

Skill/ expertise/ competence	Name(s) of Directors having the respective skill/ expertise/ competence
Finance	Mr. Sanjay Gupta, Ms. Neeru Abrol, Mr. Pradeep Kumar Jain
Law	Mr. Abhilash Lal
Sales & Marketing	Mr. Sanjay Gupta, Mr. Saket Agarwal
Operations	Mr. Sanjay Gupta, Mr. Sameer Gupta
Research	Mr. Pradeep Kumar Jain, Mr. Abhilash Lal
Corporate Governance	Mr. Abhilash Lal, Ms. Neeru Abrol
Education	Mr. Pradeep Kumar Jain, Mr. Abhilash Lal, Mr. Sanjay Gupta, Mr. Sameer Gupta
Community Service	Mr. Saket Agarwal, Mr. Sameer Gupta

6. PERFORMANCE EVALUATION

The Board of Directors has made formal annual evaluation of its own performance, and that of its committees and Individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under the Listing Regulations.

Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as composition of committees, terms of reference of committees, effectiveness of the committee meetings, participation of the members of the committee in the meetings, etc.

The Board also carried out evaluation of the performance of Individual Directors on the basis of criteria such as attendance and effective participation and contributions at the meetings of the Board and its committees, exercise of his/her duties with due & reasonable care, skill and diligence, etc. Further the Independent Directors evaluated the performance of all Non-Independent Directors.

After such evaluation, the Board expressed its satisfaction over the performance of its committees and the Directors.

7. AUDIT COMMITTEE

The role and terms to reference of Committee are in conformity with the provisions of Section 177 of the Act and Regulation 18 read with Part C of Schedule II of the Listing Regulations.

Brief description of terms of reference

The terms of reference of the Audit Committee and its role & powers as specified in Section 177 of the Act and Regulation 18 of Listing Regulations, as amended from time to time, inter alia, includes the following:

- The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of subsection 3 of section 134 of the Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements, annual financial statements and auditors' report thereon before submission to the Board for approval;
- Review of Management Discussion & Analysis of Financial conditions & results of operations;
- Review of statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Review of management letters/ letters of internal control weaknesses issued by the Statutory Auditors;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Review of internal audit reports relating to internal control weaknesses;
- Audit committee shall review the following:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations;
- The Audit Committee shall have authority to investigate into any matter in relation to the items specified above or referred to it by Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- To review the functioning of the Whistle Blower Mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company;
- Examination of the financial statement and the Auditor's report thereon;
- Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to the conditions as prescribed under Policy on Materiality of Related Party Transactions.

As on March 31, 2022, Audit Committee comprised of four Directors and out of which three are Independent Director & The Chairperson of the committee is a Non-Executive Independent Director. All the Members of the committee have good financial and accounting knowledge. The Auditors and Chief Financial Officer (CFO), are invitees to the meetings and the Company Secretary acts as a Secretary of the Committee.

During the year under review, 4 (four) meetings of the Audit Committee of the Board were held i.e., on May 04, 2021, July 26, 2021, October 22, 2021, and January 24, 2022. The composition of the Audit Committee as on March 31, 2022 and the meetings attended by its members are as under:

S. No	Name of Director	Status	No. of meetings attended
1	Mr. Pradeep Kumar Jain	Chairman	4
2	Mr. Sameer Gupta	Member	4
3	Ms. Neeru Abrol	Member	4
4	*Mr. Abhilash Lal	Member	3

*Mr. Abhilash Lal was appointed as member of Audit Committee of Board w.e.f. May 04, 2021.

All the recommendations of the Audit Committee during the year under review were accepted by the Board.

8. NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee ('NRC') is constituted in accordance with the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Act. The Composition and the terms of reference of the committee are in conformity with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

Brief description of terms of reference

Terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, KMP, senior management and other employees;
- Formulate a familiarization programme to acquaint Directors with the Company and its business etc;
- Formulating the criteria for evaluation of every Directors performance;
- Devising a policy on Board diversity;

- The Committee shall take into consideration and ensure the compliance of provisions of Section 196, read with Schedule V of the Act while appointing and fixing remuneration of Managing Directors / Whole-time Directors;
- While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee;
- The Committee shall consider and recommend to the Board, shares to be allotted to the eligible employees pursuant to the ESOP Scheme of the Company. Further, the Committee shall have the authority in its discretion:
 - To determine the Exercise Price;
 - To select the Employees to whom Options may from time to time be granted hereunder;
 - To determine whether and to what extent Options are granted hereunder;
 - To determine the number of Shares to be covered by each Options granted hereunder;
 - To determine the terms and conditions, inconsistent with the terms of the Plan, of any award granted hereunder;
 - To prescribe, amend and rescind rules and regulations relating to the Plan;
 - To construe and interpret the terms of the Plan and Shares issued pursuant to the Plan; and
 - To take decisions on other matter as may be necessary for administration of this Plan.
- The Committee shall perform other activities as requested by the Board of Directors or to address issues related to any significant subject within its term of reference.

During the year, 1 (one) meeting of the Nomination and Remuneration Committee was held i.e., on January 13, 2022. The composition of the Nomination and Remuneration Committee as on March 31, 2022 and the particulars of attendance of members are as under:

S. No.	Name of Director	Status	No. of meetings attended
1	Ms. Neeru Abrol	Chairperson	1
2	Mr. Pradeep Kumar Jain	Member	1
3	Mr. Sanjay Gupta	Member	0

All the recommendations of the Nomination and Remuneration Committee during the year under review were accepted by the Board.

The Company Secretary, acts as the Secretary to the Committee.

8.1 NOMINATION AND REMUNERATION POLICY

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board.

The current policy is to have a balanced mix of executive and non-executive Directors to maintain the Independence of the Board, and separate the functions of governance and management. The Policy of the Company on Directors' appointment including criteria for determining qualifications, positive attributes, Independence of Directors and other matters as required under Section 178 of the Act is governed by the Nomination and Remuneration Policy read with Company's policy on appointment/re-appointment of Independent Directors. The remuneration paid to the Directors is in accordance with the remuneration policy of the Company.

The Company has a remuneration policy for Directors, Key Managerial Personnel (KMP) and all other employees of the Company. As part of the policy, the Company strives to ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- relationship between remuneration and performance is clear and meets appropriate performance benchmarks; and
- remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay, reflecting short, medium and long-term performance objectives appropriate to the working of the Company and its goals.

During the year, there have been no changes to the policy and the same can be access through following link:

<https://www.apollopipes.com/media/product/Microsoft%20Word%20-%20Nomination%20&%20Remuneration%20Policy%20of%20Apollo%20Pipes%20Limited.pdf>.

8.2 REMUNERATION TO THE DIRECTORS

Executive Director:

During the year ended March 31, 2022, Mr. Sameer Gupta, Managing Director was paid a salary of ₹120.0 lakh and no other benefits or payment was made to any other Director(s).

Non- Executive Directors:

The Company has paid sitting fees aggregating to ₹12.25 lakh to all Non-Executive Independent Directors for attending the meetings of the Board and/or committees of Directors, during the financial year 2021-22. Details of sitting paid during the year is mentioned under the table below:

Particulars of Remuneration	Name of Directors			Total Amount
	Mr. Pradeep Kumar Jain	Ms. Neeru Abrol	Mr. Abhilash Lal	
Name of Non-Executive Directors				
Fee for attending Board/ Committee Meetings	4.50	4.25	3.50	12.25

(₹ in Lakhs)

The criteria of payment of remuneration is mentioned in the Nomination and Remuneration Policy of the Company, copy of which is available on the website of the Company and weblink of the same is provided hereinbefore. There are no pecuniary relationship or transactions between the Company and its non-executive Director.

Service contracts, notice period, severance fee

The Chairman & Managing Director are generally appointed for a period of five years. There is no severance fee or notice period for Executive Directors including Managing Director/ Whole- time Directors etc.

The contracts with Executive Directors may be terminated by either party giving the other party requisite notice or the Company paying requisite salary in lieu thereof as mutually agreed.

9. STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders' Relationship Committee, inter alia, looks into shareholders' grievances and other matters as specified in Regulation 20 of SEBI LODR and Section 178 of the Act.

Brief description of terms of reference

The Stakeholders Relationship Committee shall consider and resolve the grievance of various security holders of the Company including complaints/ requests related to transfer of shares. It shall specifically look into the redressal of stakeholders/ investors complaints in a timely and proper manner.

During the year, one meeting of the Stakeholders Relationship committee was held i.e., on January 24, 2022.

The composition of the Stakeholders Relationship Committee as on March 31, 2022 is as under:

S. No.	Name of Director	Status	No. of meetings attended
1	Ms. Neeru Abrol	Chairperson	1
2	Mr. Sameer Gupta	Member	1
3	Mr. Saket Agarwal	Member	1

All the recommendations of the Stakeholders Relationship Committee during the year under review were accepted by the Board.

The Company Secretary, acts as the Secretary to the Committee.

There were no Compliants pending at the beginning of the year and during the year no investor complaint was received by RTA or Company.

The Company has adequate systems and procedures to handle the investors' grievances.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors of the Company under the provisions of Section 135 of the Act and Corporate Social Responsibility (CSR) Rules, 2014 (as amended from time to time).

11. GENERAL BODY MEETINGS

A. Annual General Meeting

The details of last three Annual General Meetings are as under:-

Financial Year	Venue	Date and Time	Special Resolution Passed
2020-21	Through Video Conferencing	Thursday, 2 nd September, 2021 at 01:00 PM.	No Special Resolution was passed in the meeting.
2019-20	Through Video Conferencing	Tuesday, 29 th September, 2020 at 04:00 PM.	No Special Resolution was passed in the meeting.
2018-19	JP Hotel & Resorts, 6B, IP Extension, Patparganj, Near Max Hospital, Delhi-110092	Saturday, 28 th September, 2019 at 12:30 PM.	-For appointment of Mr. Ramesh Chandra Jindal (DIN:01377137) as Director in the category of independent Director. -For authorization to the Board u/s 180 (1)(a) and 180 (1)(c) of the Act – for increase the borrowing limits and creation of the charge on the assets of the Company.

B. Ordinary Resolutions passed through Postal Ballot during Financial Year 2021-22

Description (Nature of Resolution)	Date of Notice	Date of Dispatch of Postal Ballot Forms to Members	Last date for receiving the Postal Ballot forms including e-voting	Date of passing resolution
1) To increase the authorized share capital of the company and amend the capital clause in the memorandum of association 2) Issue of Bonus Shares	October 22, 2021	October 27, 2021	November 26, 2021	November 26, 2021

i. In compliance with Regulation 44 of the Listing Regulations, and in compliance with the provisions of the Act and the Companies (Management and Administration) Rules, 2014, Members were provided with the facility to cast their vote electronically through the e-voting services provided by CDSL on all resolutions set forth in the Notice.

ii. The Company had appointed Mr. Jatin Gupta, proprietor of M/s Jatin Gupta & Associates, Practicing Company Secretary as scrutinizer, to conduct the above instances of Postal Ballot/e-voting process in fair and transparent manner.

During the year two (2) meetings of the CSR Committee was held on May 04, 2021 and January 04, 2022. The composition and the attendance of Directors at the meeting is as under:

S. No.	Name of Director	Status	No. of meetings attended
1	Mr. Pradeep Kumar Jain	Chairman	2
2	Mr. Sanjay Gupta	Member	1
3	Mr. Sameer Gupta	Member	2

All the recommendations of the Corporate Social Responsibility Committee during the year under review were accepted by the Board.

The Company Secretary, acts as the Secretary to the Committee.

Depository Services (India) Limited ('CDSL') for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the resolutions to be passed through Postal Ballot.

As on the date of this report, no business is proposed to be conducted through postal ballot.

12. DISCLOSURES

a) Related Party Disclosure:

All transactions entered into with related parties as defined under the Act and Regulation 23 of the Listing Regulations, during the financial year were in the ordinary course of business, on arm's length pricing basis and not material in nature, accordingly, do not attract the provisions of Section 188 of the Companies Act, 2013.

The Company has no material significant transaction with the related parties viz. promoters, Directors of the Company, management, their relatives, subsidiaries of promoter Company, person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company etc. that may have a potential conflict with the interest of the Company at large.

The Company has also formulated a policy on dealing with Materiality of Related Party Transactions, which was further revised on May 06, 2022 on account of SEBI notification dated November 09, 2021 where SEBI introduced Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 and is available on the website of the Company and can be accessed through <https://www.apollopipes.com/media/product/Related%20Party%20Policy%20of%20Apollo%20Pipes%20Limited.pdf>.

Suitable disclosure as required by the Indian Accounting Standards-24 has been made in the Note no. 40 to the Financial Statements.

b) Management discussion and analysis report

Management discussion and analysis report for the year under review, as stipulated under Regulation 34 of the Listing Regulations is presented in a separate section forming part of the Annual Report.

c) Business Responsibility Report

Business Responsibility Report for the year under review, as stipulated under Regulation 34 of the Listing Regulations is presented in a separate section forming part of the Annual Report.

d) Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations:

In addition to the compliance with mandatory requirements, the Company has also adopted the following non-mandatory requirements in terms of the Listing Regulations:

- The Internal Auditor reports to the Audit Committee.
- Provision of office for Non-Executive Chairman are duly complied with.

e) Detail of non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authority on any matters related to Capital Markets:

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures were imposed by SEBI, Stock Exchanges or any statutory authority on matters relating to Capital Markets during the last three years.

f) Prevention of Sexual Harassment of Women at Workplace:

Your Company is sensitive to women employees at workplace. As required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and has set up an Internal Complaints Committee at its work place(s) to redress the complaints of women employees.

During the year under review, no complaints was received under the said Act, and same is mentioned in Business Responsibility Report which forms part of this report.

g) Risk Management:

As per the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, effective from May 05, 2021, every Listing Company under the top 1000 Companies (earlier it was 500 Companies) based on Market Capitalisation as on March 31 of the preceding year is required to constitute Risk Management Committee on Board. Since, your Company was standing on 669th rank on NSE and 698th Rank on BSE as on March 31, 2021, therefore it was required to constitute the said Committee.

As per the above amendment, the Risk Management Committee shall consist of at least three members with majority of them shall be members of the Board of Directors, including at least one Independent Director and in case of a listed entity having outstanding SR equity shares, at least two thirds of the Risk Management Committee shall comprise Independent Directors. RMC shall meet twice a year and gap between two consecutive meetings shall not exceed 180 days.

To comply the above provision your Company has constituted Risk Management Committee through resolution by circulation dated June 08, 2021, with following persons as members:

S.No	Name	Designation
1	Mr. Sameer Gupta	Chairman
2	Mr. Abhilash Lal	Member
3	Ms. Neeru Abrol	Member
4	Mr. Pradeep Kumar Jain	Member

Brief description of terms of reference

Terms of reference of the Risk Management Committee, inter alia, includes the following:

- To formulate a detailed Risk Management Policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

During the year 2 (two) meeting of the Risk Management Committee was held on July 26, 2021 and January 13, 2022. The composition and the attendance of Directors at the meetings are as under:-

S. No	Name of Director	Status	No. of meetings attended
1	Mr. Sameer Gupta	Chairman	2
2	Mr. Abhilash Lal	Member	2
3	Ms. Neeru Abrol	Member	2
4	Mr. Pradeep Kumar Jain	Member	2

The Company Secretary shall act as Secretary of the Committee.

The Company also has an elaborate Risk Management Policy to inform Board Members about risk assessment and minimization procedures and same can be access by following link https://www.apollopipes.com/media/product/1773571861_RiskManagementPolicydated30.03.2019.pdf.

h) Vigil Mechanism / Whistle Blower policy:

In compliance with provisions of Section 177 (9) of the Act and Regulation 22 of the Listing Regulations the Company has framed a Vigil Mechanism / Whistle Blower Policy and the same has also been placed on the website of the Company. None of the employees of the Company has been denied access to the Audit Committee. During the year no instance of Whistle Blower / Vigil Mechanism being availed by any employee. The Vigil Mechanism / Whistle Blower Policy, which is available on the website of the Company can be accessed through https://www.apollopipes.com/media/product/1109675715_Vigil_Mechanism_or_Whistle_Blower_Policy_of_Apollo_Pipes_Ltd..pdf.

i) Subsidiary Companies:

During the year under review, Company has no subsidiary.

The Company has formulated a policy for determining material subsidiary as required under Regulation 16 of the Listing Regulations and the same is disclosed on the Company's Website. The web link is <https://www.apollopipes.com/media/product/Policy%20on%20Material%20Subsidiaries.pdf>.

j) Disclosures with respect to demat suspense account/ unclaimed suspense account:

There were no shares in the demat suspense account or unclaimed suspense account during the financial year 2021-22.

13. LIST OF ALL CREDIT RATINGS OBTAINED BY THE COMPANY ALONG WITH ANY REVISIONS THERETO DURING THE FINANCIAL YEAR ENDED MARCH 31, 2022:

During the year under review, the Rating agencies CRISIL has upgraded its rating to A/Stable from 'CRISIL A-/Positive for the Company's long term borrowings and rating for short tem borrowings is upgraded to CRISIL A1 from CRISIL A2+.

Company has also obtained credit rating from ICRA Limited depicting that Long Term Rating "[ICRA] A(Positive)/A 1" and Short Term Rating "[ICRA]A1".

14. MEANS OF COMMUNICATION:

- Publication of quarterly/half yearly/nine monthly/annual results:

Quarterly/ half yearly/ nine monthly and annual financial results are normally published in Business Standard,

Economic Times etc. and are promptly submitted with the Stock Exchanges. The results are also displayed on the web-site of the Company www.apollopipes.com.

The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are filed electronically. The Company has complied with filing submissions with BSE through BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS/ Digital Exchange portal.

A separate dedicated section under "Investor Relations", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/ half yearly results and other relevant information of interest to the investors / public.

ii. Press release:

To provide information to investors, quarterly production figures and other press releases are sent to the stock exchanges as well as are displayed on the Company's website i.e. www.apollopipes.com before it is release to the media.

iii. Presentations to analysts:

Four presentations were made to analysts/investors during the financial year 2021-22. The same are available on the Company's website i.e. www.apollopipes.com. The presentations broadly covered operational and financial performance of the Company and industry outlook.

15. GENERAL SHAREHOLDERS' INFORMATION:

i. Annual general meetings

Date and time: September 27, 2022 (Tuesday) at 11.00 A.M.

Venue: Through Video Conferencing (VC)

ii. Financial calendar (tentative and subject to change)

Financial Year: Starts from 1st April to 31st March.

Period	Board Meetings
Unaudited results for first quarter ended June 30, 2022	On or before August 14, 2022*
Unaudited results for second quarter/ half year ended September 30, 2022	On or before November 14, 2022*
Unaudited results for third quarter/ nine months ended December 31, 2022	On or before February 14, 2023*
Audited results for the financial year 2022-23	On or before May 30, 2023*

*subject to extension, if any, that may be granted by the regulator.

Dividend Payment: The dividend of ₹1 per equity share for financial year 2021-22, has been recommended by the

Board of Directors, subject to the approval of shareholders. The same shall be paid after September 27, 2022 but within the statutory time limit.

iii. Listing of shares:

The Equity Shares of the Company is listed with the following stock exchanges:

- BSE Limited (Scrip Code: 531761)
- National Stock Exchange of India Limited (Symbol: APOLLOPIPE)

The listing fees of all the stock exchanges has been paid by the Company for the financial year 2021-22 & 2022-23.

ISIN Code for the Company's Equity Shares: INE126J01016

iv. Distribution schedule as at March 31, 2022

Nos. of equity shares held	Shareholders		Shares held	
	Number	%	Number	%
Upto 5,000	41147	93.90	2221546	5.65
5,001-10,000	1156	2.63	830527	2.11
10,001-20,000	683	1.56	978513	2.49
20,001-30,000	270	0.62	688168	1.75
30,001-40,000	125	0.29	437406	1.11
40,001-50,000	100	0.23	446488	1.14
50,001-1,00,000	174	0.40	1263368	3.21
1,00,001 & Above	164	0.37	32462190	82.54
Total	43819	100	39328206	100

v. Shareholding pattern as on March 31, 2022

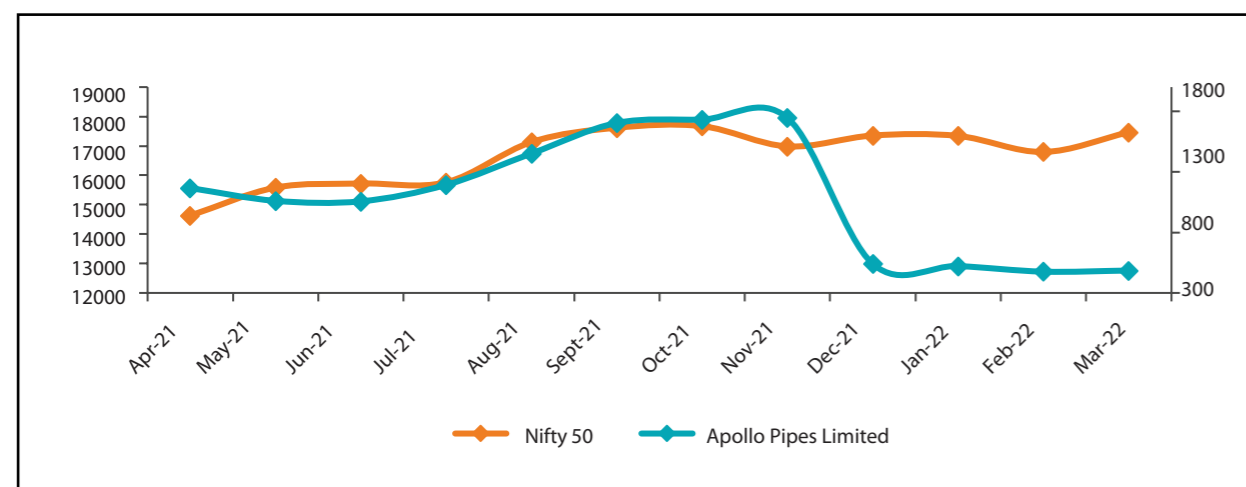
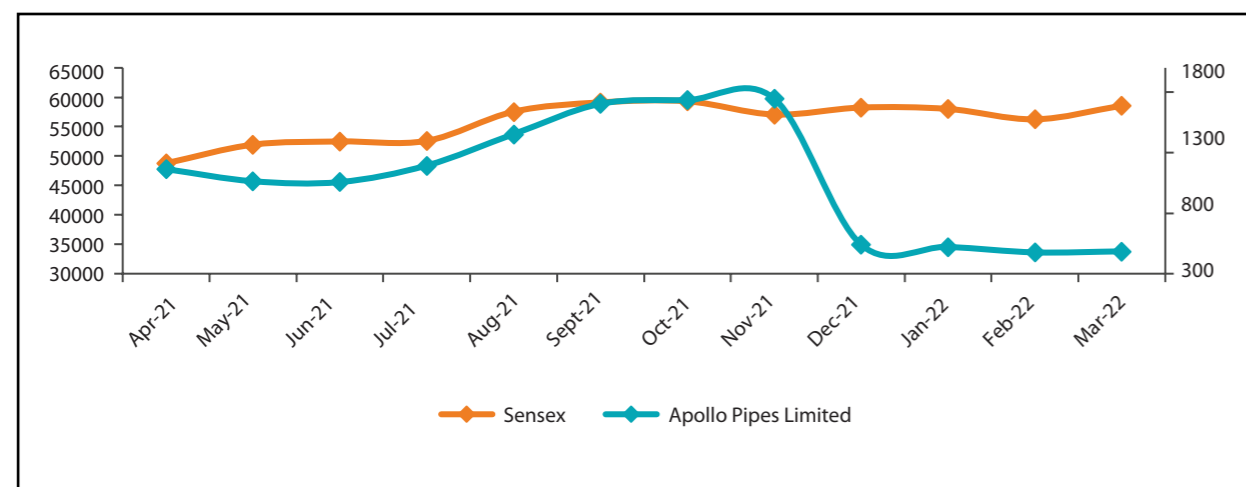
Category	No. of shares held	Percentage of shareholding
Indian Promoters	20464200	52.03
FII's/Foreign Investors/NRIs	749651	1.91
Mutual funds/ Financial Institutions/Banks	4327634	11.00
Individuals/Trusts/ Employee Trust	11606918	29.84
Clearing Members/ Hindu Undivided Families	702650	1.78
Domestic Bodies Corporate	1352732	3.44
Alternative Investment Funds/ Pension Funds/ Provident Fund	124421	0.32
Total	39328206	100

vi. Market price data

Month and Year	Stock market price on Stock Exchanges (In ₹ Per share) Percentage of Shareholding					
	BSE		Traded Quantity	NSE		Traded Quantity
	High	Low		High	Low	
April, 2021	1183.55	936.6	131984	1207.35	955.00	1959325
May, 2021	1206.0	1015.2	72597	1209.30	1014.90	896142
June, 2021	1085.0	938.0	94978	1,090.00	937.05	853906
July, 2021	1219.45	959.2	277698	1,221.00	961.25	2360044
August, 2021	1521.0	1200.0	522827	1,525.00	1,215.30	2549711
September, 2021	1732.85	1437.75	368611	1,737.60	1,440.00	1635793
October, 2021	2020.0	1643.15	146518	2,000.00	1,643.40	1494330
November, 2021	1818.0	1633.5	67119	1,825.00	1,631.05	594213
December, 2021	1766.0	512.0	223721	1,765.00	515.00	1490997
January, 2022	611.0	490.0	269851	611.50	488.05	1976855
February, 2022	549.65	412.0	194728	556.15	402.55	1542574
March, 2022	528.0	444.85	145233	528.05	445.00	1209834

(Source: www.bseindia.com and www.nseindia.com)

Performance in comparison to BSE and NSE Sensex:



vii. Share transfer system

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in dematerialized form with the depositories.

In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

Demat/Remat and related operations for Apollo Pipes Limited are also handled by M/s Beetal Financial & Computer Services Private Limited.

viii. Unclaimed Dividends:

Pursuant to provisions of Section 125 of the Act the dividends which have remained unpaid / unclaimed for a period of Seven years from the date of transfer the unpaid dividend amount is mandatorily required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The dividend status remaining unclaimed is given hereunder:

Financial year	Dividend Per Share (₹)	Date of Declaration	Due date for transfer to IEPF	Amount in Unpaid Account
2018-2019 (Final Dividend)	1.00	September 28, 2019	November 02, 2026	61,212/-

ix. Dematerialization of shares

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on March 31, 2022, 99.95 % of the Company's total Equity Shares representing 3,93,06,656 shares were held in dematerialized form and 21,550 shares representing 0.055% of paid-up share capital were held in physical form.

x. Outstanding ADRs/ GDRs

There were no outstanding GDRs/ ADRs, as on March 31, 2022.

xi. Warrants and other convertible instruments:

There were no warrants outstanding for conversion as on March 31, 2022.

xii. Commodity price risk or foreign Exchange risk and hedging activities:

The Company has adequate risk assessment and minimization system in place including for commodities.

The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018.

xiii. Details of utilization of funds raised through preferential allotment:

During the year, no preferential allotment was made, hence this clause is not applicable.

xiv. As required by Clause 10 (i) of Part C under Schedule V of the Listing Regulations, the Company has received a certificate from Anjali Yadav & Associates, Practicing Company Secretary, certifying that none of our Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India or Ministry of Corporate Affairs or such other statutory authority and the same has been annexed herewith. **Annexure-CG/1**

xv. During the financial year ended March 31, 2022, the Company has no subsidiary. Hence, disclosure for total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor is not required.

However, during the financial year ended March 31, 2022, the Company have paid total fees for various services including statutory audit, amounting to ₹10.16 lakhs, to the Statutory Auditor, namely M/s. VAPS & Company, Chartered Accountants. Further, no fees other than above was paid by the Company to any entity in the network firm/ network entity of which the Statutory Auditor is a part.

xvi. Investors Correspondence can be made on Registered Office of the Company as given under:

Apollo Pipes Limited
CIN: L65999DL1985PLC022723
37, Hargobind Enclave,
Vikas Marg, Delhi – 110092
Phone: 011-22373437
Fax 011-22373537
Mail: compliance@apollopipes.com;
akjain@apollopipes.com

xvii. Registrar and Share Transfer Agent:

Beetal Financial & Computer Services Private Limited
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi - 110062
Phone: 011 2996 1281
Fax: 91-11-2996 1284
Mail: beetalrta@gmail.com

xviii. Plant Locations:**Unit – 1**

Khasra no.2928 JHA, 2907 to 2916 and 2930 to 2938, Dhoom Manik pur, G T Road, Dadri, Gautam Buddha Nagar, Uttar Pradesh, 203207

Unit –2

Plot No. D-20 & E-6, E-8, Industrial Area, Sikanderabad, Bulandshahar, Uttar Pradesh - 203205

Unit-3

Plot No. 359 and 374, Off Rajkot Highway, Kochariya Bavla, Ahmedabad, Gujarat - 382220

Unit-4

Plot No. 172-B and 173-A, Vasanthanasapuram Industrial Area, Village-Nagenahalli, Kora Hobli, Tumkur, Karnataka, 572128

Unit 5

P.C.98/24, Village- Sankara, Dharsiwa, Bilaspur Road, Tehsil-Raipur, Chhattisgarh - 493221

xix. Stock Exchanges:**BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai, Maharashtra - 400 001
Phone: +91 22 2272 1233
Fax: +91 22 2272 1919
Website: www.bseindia.com

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex,
Bandra (E),
Mumbai, Maharashtra - 400 051
Phone: +91 22 2659 8100
Fax: +91 22 2659 8120
Website: www.nseindia.com

xx. Depositories:**National Securities Depository Limited**

Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel,
Mumbai, Maharashtra - 400 013
Phone: +91 22 2499 4200
Fax: +91 22 2497 6351
E-mail: info@nsdl.co.in
Website: www.nsdl.co.in

Central Depository Services (India) Limited

Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai, Maharashtra - 400013
Phone: +91 22 2272 3333
Toll free: 1800-200-5533
Fax: +91 22 2272 3199
E-mail: helpdesk@cdslindia.com
Website: www.cdslindia.com

16. CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct for all Board members and senior management personnel which is available on the website of the Company i.e. www.apollopipes.com. The Company has received confirmations from all the Board members and senior management personnel regarding compliance of the Code during the year under review.

A declaration signed by the Managing Director is attached and forms part of the Annual Report of the Company.
Annexure-CG/2

17. CEO AND CFO CERTIFICATION:

Mr. Sameer Gupta, Managing Director and Mr. Ajay Kumar Jain, Chief Financial Officer of the Company have provided certification on financial reporting and internal controls to the Board as required under Regulation 17(8) read with Schedule II of Part B of the Listing Regulations forms part of this report as **Annexure- CG/3**

18. COMPLIANCE CERTIFICATE OF THE PRACTICING COMPANY SECRETARY:

The Company has complied with the requirements of the Schedule V of the Listing Regulations in connection with disclosures in this report.

Furthermore, the Company is also in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

Certificate from the Practicing Company Secretaries M/s Anjali Yadav and Associates, confirming compliance with conditions of Corporate Governance as required under Regulation 34(3) Schedule V (E) of the Listing Regulations forms part of the Annual Report and same has been annexed as **Annexure- CG/4**.

19. CODE FOR PREVENTION OF INSIDER TRADING:

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has adopted (i) the code of practices and procedures for fair disclosure of unpublished price sensitive information and (ii) the code of internal procedures and conduct for regulating, monitoring and reporting of trading by insiders, in terms of the said Regulations.

On behalf of the Board of Directors of
Apollo Pipes Limited

Sd/-

(Sanjay Gupta)

Chairperson

Date: July 26, 2022

Place: Noida

DIN: 00233188

Annexure-CG/1

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Apollo Pipes Limited
37, Hargobind Enclave,
Vikas Marg,
Delhi- 110092

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Apollo Pipes Limited** having **CIN: L65999DL1985PLC022723** and having registered office at **37, Hargobind Enclave, Vikas Marg, Delhi- 110092** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications including Directors Identification Number (DIN) status at the portal "www.mca.gov.in" as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No.	Name of Directors	DIN (Director Identification Number)	Date of appointment in company
1	Mr. Sameer Gupta	00005209	05/01/2011
2.	Mr. Sanjay Gupta	00233188	30/01/2018
3.	Mr. Pradeep Kumar Jain	08063400	30/01/2018
4.	Ms. Neeru Abrol	01279485	30/01/2018
5.	Mr. Saket Agarwal	00203084	30/03/2019
6.	Mr. Abhilash Lal	03203177	22/03/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Anjali Yadav & Associates
Company Secretaries

Sd/-

Anjali Yadav
Proprietor

FCS No.: 6628

C P No.: 7257

P/R. No. 629/2019

Place: New Delhi
Date: July 26, 2022
UDIN: F006628D000684021

Annexure-CG/2

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

To
The Members of,
Apollo Pipes Limited

This is to confirm that the Board of Directors of the Company has laid down a Code of Conduct for its members and Senior Management Personnel of the Company. The same has also been posted on the Company's website. It is further confirmed that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2022 as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

For the purpose of this declaration, Senior Management Personnel means the members of the Management one level below the Managing Director of the Company as on March 31, 2022.

For Apollo Pipes Limited

Sd/-

Sameer Gupta
Managing Director

Place: Noida
Date: May 06, 2022

Annexure- CG/3

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors
Apollo Pipes Limited

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Apollo Pipes Limited, to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (d) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- (e) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

Sd/-
(Sameer Gupta)
Managing Director

Place: Noida
Date: May 06, 2022

Sd/-
(Ajay Kumar Jain)
Chief Financial Officer

Annexure- CG/4

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The members of
Apollo Pipes Limited
37, Hargobind Enclave, Vikas Marg,
Delhi- 110092

We have examined the compliance of conditions of Corporate Governance by the Apollo Pipes Limited ("the Company") for the year ended March, 31, 2022 as stipulated in regulation 17 to 27, clause (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (as amended from time to time) pursuant to the Listing Agreement of the Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination is limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and Management, we certify that the Company has complied with the conditions of corporate governance as stipulated above.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Anjali Yadav & Associates
Company Secretaries

Place: New Delhi
Date: July 26, 2022
UDIN: F006628D000684052

Sd/-
Anjali Yadav
Proprietor
FCS No.: 6628
C P No.: 7257
PR: 629/2019

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L65999DL1985PLC022723
2	Name of the Company	Apollo Pipes Limited
3	Registered address	37, Hargobind Enclave, Vikas Marg, Delhi-110092
4	Website	www.apollopipes.com
5	E-mail id	compliance@apollopipes.com
6	Financial year reported	1 st April 2021 to 31 st March 2022
7	Sector(s) that the Company is engaged in	Manufacturing of Plastic Products Group 222- as per National Industrial Classification- Ministry of Statistics and Programme Implementation
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Manufacture cPVC, uPVC and HDPE Pipes
9	Total number of locations where business activity is undertaken by the Company	Five
	(a) Number of international locations	None
	(b) Number of national locations	In India, Apollo Pipes Limited have five main operational manufacturing locations, two at U.P., one at Ahmedabad, one at Bengaluru and one at Raipur.
10	Markets served by the Company – Local/State/National/International	Local, State and National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up capital	₹39.32 Crore
2	Total turnover	₹784.07 Crore
3	Total profit after taxes	₹49.76 Crore
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹0.91 Crore, being 2% of the average net profits of the Company made during the three immediately preceding financial years.
5	List of activities in which expenditure in point 4 above has been incurred:-	The major activities in which the CSR activities were undertaken by the Company include: <ul style="list-style-type: none"> • Education • Distribution of Water • Donation to PM CARES FUND

SECTION C: OTHER DETAILS

S. No.	Description	Information
1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such Subsidiary Company(s)	NA
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?	No, the other entities eg., Suppliers, distributors, etc. with whom the Company does business, do not participate in the BR Initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

1	Name	Mr. Sameer Gupta
2	Designation	Managing Director
3	DIN	00005209

(b) Details of the BR head

1	Name	Mr. Ajay Kumar Jain
2	Designation	Chief Financial Officer
3	Telephone number	0120-6587777
4	e-mail id	akjain@apollopipes.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for.	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards?	Most of the policies are aligned to standards like: ISO 9001 (Quality Management System)								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?*	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Apart from the Statutory policies, which are available on the website of the Company, other policies are available on the Apollo Pipes Limited intranet and can be accessed by Company employees/ internal stakeholders.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent evaluation of the audit/ working of this policy by an internal or external agency?	Yes, the Independent Agency's evaluation work is ongoing.								

* These Policies have been signed by MD

3. Governance related to BR

1	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year:	No Committee of the Board has been exclusively designated for dealing with this matter. However, all the aspects of Business Responsibility are reviewed by various other committees of the Board/Executives.
2	Does the Company publish a BR or a sustainability report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, BR Report www.apollopipes.com Annually

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1	Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs /Others?	The Company believes in upholding the values of transparency, accountability and good governance. The Company has formulated a Code of Conduct for Directors and senior management personnel and an effective vigil mechanism and Whistle Blower Policy. The Company also encourages its Suppliers / Contractors / NGO's / Others to practice in the same in a fair manner.
2	How many stakeholder complaints have been received in the past financial year? What percentage was satisfactorily resolved by the management?	No shareholders' complaints were received during the Financial Year 2021-22.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.	- uPVC Pipes - cPVC Pipes - HDPE Pipes
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): A. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain? B. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	The Company continues to lay major emphasis on conservation of energy and the measures taken during the previous years in the said regard were continued. Pipes & Tubes manufactured by the Company are used by diverse consumer range and therefore it is not possible to measure the usage (energy, water) by them. Exact saving figures are not ascertainable.
3	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?	The Company focuses on environmental impacts of sourcing and continually works with the vendors and suppliers to reduce the same. We are aware that most of the vendors/suppliers for key raw material are working on sustainable basis. Transportation and logistics optimization is an ongoing activity to reduce the relative environmental impacts.
4	Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The Company is in the process of revisiting its procurement policy to ensure the suppliers surrounding its workplaces are given due opportunities of participation.
5	Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.	Yes

Principle 3: Businesses should promote the wellbeing of all employees

1	Please indicate the total number of employees.	834
2	Please indicate the total number of employees hired on temporary/contractual/casual basis.	214
3	Please indicate the Number of permanent women employees.	17
4	Please indicate the Number of permanent employees with disabilities	Nil
5	Do you have an employee association that is recognized by management?	Presently, the Company does not have any employee association.
6	What percentage of your permanent employees are members of this recognized employee association?	Not Applicable

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
A	Child labour/forced labour/involuntary labour	Nil	Nil
B	Sexual harassment	Nil	Nil
C	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?

A	Permanent Employees	100%
B	Permanent Women Employees	100%
C	Casual/Temporary/Contractual Employees	100%
D	Employees with Disabilities	N.A.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1	Has the Company mapped its internal and external stakeholders?	Yes, the Company has identified key stakeholder groups and mapped its internal and external stakeholders.
2	Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders.	Yes, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders viz. village communities in the vicinity of the manufacturing plants and the contract/casual workers.
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders.	The Company proactively engages with and responds to those sections in the society that are disadvantaged, vulnerable and marginalized.

Principle 5: Businesses should respect and promote human rights

1	Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures/Suppliers/Contractors / NGOs / Others?	Currently, the Company does not have any separate Human Rights policy; but the Business Responsibility policy covers the various aspects related to protection of human rights. The Company appreciates that human rights are inherent, universal, indivisible and interdependent in nature. The Company, within its sphere of influence, promotes the awareness and realization of human rights across its value chain. The Company strongly prohibits the employment of child, forced or compulsory labour in all of its operations.
2	How many stakeholder complaints have been received in the past financial year. What percent was satisfactorily resolved by the management?	In the reporting period, no violations or complaints surfaced and no areas were discovered where any of our operations or suppliers might be found to have significant risk of child labour or forced or compulsory labour.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1	Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors /NGOs/others.	The Company is committed to improving health & safety of the society and protection of the environment, and the policy applies to the entire Company. Apollo Pipes Limited also encourages its vendors and dealers to take health, safety and environment friendly measures for better future.
2	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? If yes, please give hyperlink for webpage etc.	The Company is contributing towards addressing global environmental issues by complying with ISO Certification i.e., ISO 9001 under the Integrated Management System, in each and every process of the Company.
3	Does the Company identify and assess potential environmental risks?	Yes, the Company from time to time assesses various environmental risks associated with its activities and their likely impact. The purpose of this exercise is to establish and maintain procedures for identifying environmental/ Hazard aspects of activities. Company's operations are currently not affecting any eco-sensitive areas.
4	Does the Company have any project related to Clean Development Mechanism?	None at Present.
5	Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.	Yes, the Company have already installed, rooftop solar plant at its manufacturing unit at Dadri, Uttar Pradesh, with a total capacity of 1.40 MW. The Company has further signed an agreement to purchase 4.50 MW electricity generated through solar resources from M/s AMP SOLAR to be Captively used at Dadri Unit.
6	Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes, all of the Company's emissions/waste generated during the reporting period were within the regulatory defined limits.
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.	This is to confirm that no show cause/legal notices were received from the Pollution Control Boards (PCB) during the financial year under review and nothing is pending at the end of the financial year.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1	Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with	The Company is a member of various council and chambers of commerce. Some of these associations include: The Plastic Export Promotion Council and Delhi Chamber of Commerce.
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? If yes specify the broad areas.	The Company has used the above platforms of the above Trade Association/Chambers for advocating in the areas of economic reforms, social security, water Conservation etc.

Principle 8: Businesses should support inclusive growth and equitable development

1	Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes, the Company has a well drafted CSR policy in line with Section 135/ Schedule VII of the Companies Act, 2013. On the basis of needs of the community around the projects, either observed or on the basis of requests, the initiatives for the benefit of society are chosen and implemented. The Company met its entire obligation towards CSR spending during the financial year 2021-22 and the details are already mentioned in the CSR report included in a separate section of the Annual Report.
2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?	Most of the CSR programmes/projects undertaken by the Company are done with the help of NGOs/ section 8 Company, contributions to PM CARES Fund which are implementing agencies.
3	Have you done any impact assessment of your initiative?	The CSR Programmes/projects and their progress/impacts/outcomes are monitored and reviewed periodically by the Corporate Social Responsibility Committee of the Board and by the Board of Directors. Statutory 'impact assessment' is currently not applicable to the Company as its CSR obligations are well below the prescribed thresholds.
4	What is your Company's direct contribution to community development projects- Amount in Rupees and the details of the projects undertaken.	Please refer to ANNEXURE C to the Directors' Report.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community?	The Company is committed to improving the quality of life of the communities around its plant locations and communities at large through need based CSR initiatives in the areas of healthcare, education, livelihood enhancement and environment. The Company encourages participation by the community in various CSR initiatives of the Company. Extensive engagement with the community helps in identifying needs of the stakeholders and leads to greater sense of ownership among the people, ensuring sustained outcomes. This ensures successful adoption by communities to the extent possible.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year	Two consumer cases were pending as at the end of financial year 2021-22
2	Does the Company display product information on the product label, over and above what is mandated as per local laws?	Yes, the Company adheres to all product labelling and product information requirements as per applicables laws.
3	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.	No court case has been filed against the Company regarding unfair trade practices and/or irresponsible advertising during the last five years or is pending as at the end of the financial year.
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	The Company is focused on delivering value to its customers and, therefore, customer satisfaction surveys are carried out on a regular basis. This provides valuable feedback for the Company for providing the best possible service to customers and to continuously improve in its engagement with customers.

For and on behalf of Board of Directors

Sd/-

Sameer Gupta
 Managing Director
 (DIN: 00005209)

Place: Noida
 Date: July 26, 2022

Financial Statements

Independent Auditor's Report

To the Members of
APOLLO PIPES LIMITED
 Report on the Financial Statements

OPINION

We have audited the accompanying financial statements of APOLLO PIPES LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2022, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profits, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Provisions and contingent liabilities in relation to tax positions	
<p>Company has received outstanding demands and show cause notices from various tax authorities.</p> <p>The Management have made judgements relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. We therefore focused on this area as a result of uncertainty and potential material impact.</p> <p>Refer Note 37 to the financial statements.</p>	<p>We have involved our tax experts to gain an understanding of the current status of the tax cases and monitored changes in the disputes by reading external opinions received by the Company if any, where relevant to establish that the tax provisions had been appropriately adjusted to reflect the latest external developments.</p> <p>For Legal, regulatory and tax matters our procedures included the following:</p> <ul style="list-style-type: none"> • Testing key controls surrounding litigation, regulatory and tax procedures. • Performing substantive procedures on the underlying calculations supporting the provisions recorded. • Where relevant, reading external legal opinions obtained by the management • Discussing open matters with the litigation, regulator, general counsel and tax teams • Assessing management's conclusions through understanding precedents set in similar cases. <p>Based on the evidence obtained, while noting the inherent uncertainty with such legal, regulatory and tax matters, we determined the level of provisioning and disclosure of contingent liabilities as at March 31, 2022 to be appropriate.</p>

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable users of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may

reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would be reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its director during the year is in accordance with the provisions of section 197 of the Act.

- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements (See Note 37 of the Financial Statements).
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - The Company is not required to transfer any amount to the Investor Education and Protection Fund.
 - The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries")

or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (d) (A) No final dividend for the previous year has been declared and paid by the Company during the year and until the date of this report.

(B) No interim dividend has been declared and paid by the Company during the year and until the date of this report.

(C) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **VAPS & Company**
Chartered Accountants
ICAI Firm Registration Number: 003612N

Sd/-

Praveen Kumar Jain

Partner

Membership Number: 82515
UDIN : 22082515AINGUX2780

Place : Noida, UP
Date : May 6, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Apollo Pipes Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **APOLLO PIPES LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VAPS & Company
Chartered Accountants
ICAI Firm Registration Number: 003612N

Sd/-
Praveen Kumar Jain
Partner

Membership Number: 82515
UDIN : 22082515AINGUX2780

Place : Noida, UP
Date : May 6, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of APOLLO PIPES LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) According to the information, available to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies have been noticed on physical verification.
- (b) The Company has been sanctioned working capital limits in excess of ₹5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts.
- iii. In respect of investments made in, companies, firms, Limited Liability Partnerships, and unsecured loans granted to other parties:
 - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
 - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) The Company has not provided any loans or advances in the nature of loans, during the year, and hence reporting under clause 3(iii)(c) of the Order is not applicable.
 - (d) The Company has not provided any loans or advances in the nature of loans, during the year, and hence reporting under clause 3(iii)(d) of the Order is not applicable.
 - (e) The Company has not provided any loans or advances in the nature of loans, during the year, and hence reporting under clause 3(iii)(e) of the Order is not applicable.
 - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. Pursuant to the rules made by the Central Government of India, the company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Nature of the Statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹ in crores)
Customs Act, 1962	Additional duty imposed due to rejection of Transaction value declared by the importer	Commissioner of Customs (Appeals)- NOIDA	April-2018 to March-2019	0.04
UPVAT Act,2008	Regular Assessment Ex-parte order passed	Commercial Tax Tribunal, Ghaziabad	April-2016 to March-2017	4.22
UPVAT Act,2008	Regular Assessment Ex-parte order passed	Additional Comissioner, (Appeal), Bulandshahar	April 2017 to June 2017	5.02
Income Tax Act,1961	Income Tax outstanding amount	Deputy Commissioner of Income Tax , New Delhi	April 2017 to March 2018	0.35
Income Tax Act,1961	Income Tax outstanding amount	Deputy Commissioner of Income Tax , New Delhi	April 2019 to March 2020	29.56

- viii. There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 .
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any bank. Further, there were no dues payable to financial institution or Government or debenture holders as at Balance Sheet date
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanation given to us, the term loans obtained by the Company have been applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Hence, reporting under clause 3(ix) (e) of the order is not applicable.
- (f) The Company does not have any subsidiary company, associate or joint ventures during the year and has not raised loans during the year on the pledge of securities held in its subsidiaries, associates and joint ventures.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no amount remaining unspent in respect of other than ongoing projects, requiring transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act to the Companies Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no unspent amount towards Corporate Social Responsibility (CSR) in respect of ongoing projects, requiring a transfer to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.
- xxi. The provisions relating to preparation of Consolidated Financial Statements are not applicable to the Company during the year. Therefore, reporting under clause 3(xxii) of the order is not applicable to the Company.

For **VAPS & Company**
Chartered Accountants
ICAI Firm Registration Number: 003612N

Sd/-

Praveen Kumar Jain
Partner

Membership Number: 82515
UDIN : 22082515AINGUX2780

Place : Noida, UP
Date : May 6, 2022

Balance Sheet as at March 31, 2022

(Amount in ₹ lakh)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	5	20,609.01	19,033.17
(b) Capital Work in Progress	6	706.01	771.03
(c) Intangible Assets	7	2,112.01	2,133.46
(d) Right of Use Asset	8	919.70	931.54
(e) Financial assets			
- Investments	9(a)	414.69	30.54
- Other financial assets	9(b)	277.14	269.60
(f) Other non current assets	10	851.25	944.19
Total non current assets		25,889.81	24,113.53
(2) Current Assets			
(a) Inventories	11	13,163.37	7,821.61
(b) Financial Assets			
- Investments	12(a)	18.40	16.90
- Trade Receivables	12(b)	7,050.00	6,269.07
- Cash and Cash Equivalents	12(c)	2,668.82	11.79
- Earmarked Balances with Bank	12(d)	0.61	0.61
- Bank balances other than cash and cash equivalents	12(e)	1,510.49	7,209.38
- Loans	12(f)	566.95	633.10
- Other Financial Assets	12(g)	214.11	737.16
(c) Other current assets	13	3,303.54	2,612.29
Total current assets		28,496.29	25,311.91
Total Assets		54,386.10	49,425.44
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	14	3,932.82	1,310.94
(b) Other Equity	15	36,600.17	33,835.81
Total equity		40,532.99	35,146.75
(2) Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
- Borrowings	16(a)	918.09	1,819.98
- Lease Liabilities	16(b)	5.64	5.62
(b) Provisions	17	155.93	131.56
(c) Deferred Tax Liabilities (Net)	18	136.30	237.05
Total non-current liabilities		1,215.96	2,194.21
Current Liabilities			
(a) Financial Liabilities			
- Borrowings	19(a)	2,948.05	4,467.63
- Trade Payables	19(b)		
- Total outstanding dues to Micro and Small Enterprises		1,397.62	560.83
- Total outstanding dues to other than Micro and Small Enterprises		4,101.04	4,255.43
- Other Financial Liabilities	19(c)	2,871.76	1,875.73
(b) Provisions	20	42.69	25.63
(c) Other Current Liabilities	21	630.71	517.11
(d) Current Tax Liability (Net)	22	645.28	382.12
Total current liabilities		12,637.15	12,084.48
Total Liabilities		13,853.11	14,278.69
Total Equity and Liabilities		54,386.10	49,425.44

See accompanying notes to the financial statements
In terms of our report attached

1-49

For **VAPS & Co.**
Firm Reg. No. 003612N
Chartered Accountants
Sd/-
Praveen Kumar Jain
Partner
Membership No. 082515
UDIN: 22082515AINGUX2780
Place : Noida
Date : May 6, 2022

For and On Behalf of the Board of Directors of
APOLLO PIPES LIMITED

Sd/-
Sameer Gupta
Director
DIN-00005209
Sd/-
Ajay Kumar Jain
Chief Financial Officer

Sd/-
Sanjay Gupta
Director
DIN-00233188
Sd/-
Ankit Sharma
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in ₹ lakh)

Particulars	Note	For the Year ended March 31, 2022	For the Year ended March 31, 2021
I. Revenue from Operations	23	78,407.54	51,806.83
II. Other Income	24	379.36	841.15
III. Total Income(I+II)		78,786.90	52,647.98
IV. Expenses:			
(a) Cost of materials consumed	25	60,208.24	35,459.41
(b) Purchase of Stock-in-Trade		769.11	619.20
(c) Changes in inventories of finished goods, work-in-progress, stock in trade, rejection and scrap	26	(3,658.01)	101.07
(d) Employee Benefit Expense	27	4,141.05	2,926.15
(e) Financial Costs	28	428.77	436.26
(f) Depreciation and Amortization Expense	29	2,570.16	1,762.76
(g) Other Expenses	30	7,608.02	5,275.97
Total Expenses		72,067.34	46,580.82
V. Profit before tax (III-IV)		6,719.56	6,067.16
VI. Tax Expense:			
(a) Current tax		1,839.18	1,626.66
(b) Deferred tax		(96.11)	(6.93)
(c) Income tax expense of earlier year		-	-
Total tax expense	31	1,743.07	1,619.73
VII. Profit/(Loss) for the year (V-VI)		4,976.49	4,447.43
VIII. Other Comprehensive Income for the year		267.85	14.26
IX. Total Comprehensive Income for the year (VII+VIII)		5,244.34	4,461.69
X. Earning per equity share of ₹10.00 each			
(a) Basic	32	12.65	11.31
(b) Diluted		12.65	11.31

See accompanying notes to the financial statements
In terms of our report attached

1-49

For **VAPS & Co.**
Firm Reg. No. 003612N
Chartered Accountants
Sd/-
Praveen Kumar Jain
Partner
Membership No. 082515
UDIN: 22082515AINGUX2780
Place : Noida
Date : May 6, 2022

For and On Behalf of the Board of Directors of
APOLLO PIPES LIMITED

Sd/-
Sameer Gupta
Director
DIN-00005209
Sd/-
Ajay Kumar Jain
Chief Financial Officer

Sd/-
Sanjay Gupta
Director
DIN-00233188
Sd/-
Ankit Sharma
Company Secretary

Statement of Cash Flows for the year ended March 31, 2022

(Amount in ₹ lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash Flow from operating activities		
Profit before exceptional item and tax	6,719.56	6,067.15
Adjustments For		
Loss/(Gain) on Financial Assets measured at FVTPL	(261.75)	-
Depreciation and amortization expense	2,570.16	1,762.76
Finance Cost	428.34	435.82
Finance Cost on account of Lease	0.44	0.44
(Profit)/Loss on sale of Property, Plant and equipment	46.90	6.53
Dividend Received	(0.12)	-
(Profit) on sale of Shares	(26.81)	-
Interest on Income Tax Refund	-	(8.90)
Stock Compensation Expenses	148.61	33.52
Interest Income on FD with banks	(243.56)	(573.90)
Operating Profit before working capital changes	9,381.79	7,723.43
Adjustment for Working Capital Changes		
Decrease/(Increase) in Trade receivables	(780.92)	(329.58)
Decrease/(Increase) in other receivables	(285.84)	(2,535.54)
Decrease/(Increase) in inventories	(5,341.76)	422.15
(Decrease)/Increase in Provisions	41.43	20.37
(Decrease)/Increase in Trade and other payables	2,194.08	(1,920.09)
Cash generated from Operations	5,208.77	3,380.74
Taxes paid	(1,576.02)	(1,294.99)
Net Cash flow from operating activities (A)	3,632.75	2,085.76
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and equipment	(4,232.53)	(8,459.38)
Investments in Capital WIP	65.02	2,274.72
Sale of Fixed Assets	119.82	16.06
Purchase of Investments	(138.05)	(0.02)
Interest received	510.92	612.60
Net cash flow (used in) from investing Activities (B)	(3,674.84)	(5,556.01)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term Borrowings (Secured)	(2,563.15)	(1,657.34)
Proceeds from Non Current Borrowings	5.64	5.62
Interest paid	(442.27)	(444.33)
Net Cash (used in) from financing Activities (C)	(2,999.77)	(2,096.05)

Statement of Cash Flows (contd..) for the year ended March 31, 2022

(Amount in ₹ lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENT	(3,041.86)	(5,566.31)
Opening balance of Cash & Cash equivalents	7,232.65	12,798.97
Closing balance of Cash & cash equivalent	4,190.80	7,232.65
Cash and cash Equivalents comprises		
Cash in Hand	7.42	3.97
Balance with Scheduled Banks		
-In current Accounts	56.16	7.82
-In Cash credit Account	105.24	-
-In Fixed deposit accounts with original maturity of less than 3 months	2,500	-
-Earmarked Balances with Bank	0.61	0.61
-In Other Fixed Deposit Accounts	1,510.49	7,209.38
-In Fixed Deposit Accounts as Margin Money	-	-
Total Cash and Cash Equivalents	4,179.92	7,221.78

See accompanying notes to the financial statements
In terms of our report attached

1-49

For **VAPS & Co.**
Firm Reg. No. 003612N
Chartered Accountants
Sd/-
Praveen Kumar Jain
Partner
Membership No. 082515
UDIN: 22082515AINGUX2780
Place : Noida
Date : May 6, 2022

For and On Behalf of the Board of Directors of
APOLLO PIPES LIMITED

Sd/-
Sameer Gupta
Director
DIN-00005209
Sd/-
Ajay Kumar Jain
Chief Financial Officer

Sd/-
Sanjay Gupta
Director
DIN-00233188
Sd/-
Ankit Sharma
Company Secretary

Statement of Changes in Equity for the year ended March 31, 2022

A. Equity Share Capital		(Amount in ₹ lakh)
Particulars		Amount
Opening balance as at April 1, 2020		1,198.44
Changes during the year ended March 31, 2020		112.50
Balance as at March 31, 2021		1,310.94
Add: Issue of bonus shares		2,622
Balance as at March 31, 2022		3,932.82

B. Other Equity

Particulars	Reserves and Surplus			Other Comprehensive Income through OCI	Remeasurement of defined benefit Plan	Amount Received Against Share Warrant*	Share Option Outstanding Account	Total
	General Reserve	Retained Earnings	Capital Reserve					
Balance as at Mar 31, 2020	11.54	9,270.03	18,055.59	6.37	(8.93)	2,006.00		29,340.60
Balance as at April 1, 2020	11.54	9,270.03	18,055.59	6.37	(8.93)	2,006.00		29,340.60
Net Balance as at April 1, 2020	11.54	9,270.03	-	6.37	(8.93)	2,006.00		29,340.60
Profit for the year		4,447.43			14.26			4,447.43
Other comprehensive income for the year, net of income tax								14.26
Forfeiture of Amount received against share warrants			2,006.00			(2,006)		-
Compensation cost related to employee share based payment transaction							33.52	33.52
Balance as at March 31, 2021	11.54	13,717.46	2,006.00	6.37	5.33	-	33.52	33,835.81
Profit for the year		4,976.49						4,976.49
Other comprehensive income for the year, net of income tax				258.15	9.70			267.85
Amount utilised for issue of bonus shares								(2,628.59)
Compensation cost related to employee share based payment transaction							148.61	148.61
Balance as at March 31, 2022	11.54	18,693.95	2,006.00	264.52	15.03	-	182.13	36,600.18

Nature and purpose of reserves :**(i) General Reserve**

General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by the transfer from one component of equity to another and is not an item of other comprehensive income; items included in the General Reserve will not be reclassified subsequently to profit or loss.

Statement of Changes in Equity (contd..) for the year ended March 31, 2022**(ii) Retained Earnings**

This reserve represents undistributed accumulated earnings of the company as on the balance sheet date.

(iii) Capital Reserve

This reserve represents amount on Forfeiture of Amount received against share warrants. This will be utilized in accordance with the provisions of the Companies Act, 2013.

(iv) Security Premium

Securities Premium Reserve is used to record the premium on issue of shares. This will be utilized in accordance with the provisions of the Companies Act, 2013.

(v) Share Option Outstanding Account

The company offers ESOP under which options to subscribe for the company's share have been granted to certain employees and senior management. The share option outstanding account is used to recognise the value of the equity settled share based payments provided as a part of ESOP scheme. (see note 41)

(vi) Item of Other comprehensive Income

It represents Profit/ (Loss) of the company which will not be reclassified to statement of profit & loss.

See accompanying notes to the financial statements
In terms of our report attached

1-49

For **VAPS & Co.**
Firm Reg. No. 003612N
Chartered Accountants

Sd/-
Praveen Kumar Jain
Partner
Membership No. 082515
UDIN: 22082515AINGUX2780
Place : Noida
Date : May 6, 2022

For and On Behalf of the Board of Directors of
APOLLO PIPES LIMITED

Sd/-
Sameer Gupta
Director
DIN-00005209

Sd/-
Sanjay Gupta
Director
DIN-00233188

Sd/-
Ajay Kumar Jain
Chief Financial Officer

Sd/-
Ankit Sharma
Company Secretary

Notes of the Financial Statements

1. Corporate Information

Apollo Pipes Limited ("The Company") incorporated on December 9, 1985 is engaged in the manufacturing and trading of PVC Pipes and Fittings. The Company is a public company listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the Company is in New Delhi.

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on May 6, 2022.

2. Significant Accounting Policies

This note provides a list of significant accounting policies adopted in the presentation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

(i) Compliance with Ind AS

The Financial statements (FS) of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015, as amended by notification dated March 31, 2016] and other provisions of the Act.

The financial statements are presented in Indian ₹ and all amounts disclosed in the financial statements and notes have been rounded off upto two decimal points to the nearest Lakhs (as per the requirement of Schedule III), unless otherwise stated.

(ii) Historical Cost Convention

The Financial Statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities which are measured at fair value / amortized cost
- Defined Benefit Plans- plan assets measured at fair value

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading ₹
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

(iii) Operating cycle

The operating cycle is the time between the acquisition of assets for processing and its realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

2.2 Property, Plant & Equipment and Capital Works in Progress

Freehold Land is carried at Historical cost. Property, all other items of plant and equipment are stated at historical cost less depreciation and impairment if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in profit or loss during the reporting period, in which they are incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Notes of the Financial Statements

Depreciation methods, estimated useful lives and residual value

Depreciation on tangible property plant & equipment has been provided on the written down value method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by the Management expert which are equal to, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

The estimated useful life of various property, plant and equipment is as under: -

Assets	Estimated useful life (Years)
Building	30
Computers	3-5
Plant and Machinery	10-25
Furniture and Fixtures	10
Office Equipment	5
Vehicles	8-10

The asset's useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively, if appropriate..

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount of the asset. These are included in profit or loss within other income.

2.3 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at historical cost. Intangibles assets have a finite life and are subsequently carried at cost less any accumulated amortization and accumulated impairment losses if any.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Amortization methods and estimated useful lives

Assets	Estimated useful life (Years)
Enterprise resource planning software	5

2.4 Revenue Recognition

The revenue is recognised once the entity satisfied that the performance obligation & controls are transferred to the customers.

(a) Sale of goods

The Company derives revenue from Sale of Goods and revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. The Company recognises revenue at point in time ,

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled. Revenues are shown net of allowances/ returns, goods and services tax and applicable discounts and allowances.

(b) Interest income

Interest income is recognized using the time proportion basis, based on the underlying interest rates.

(c) Rental Income

Rental income is recognized on a time-apportioned basis in accordance with the underlying substance of the relevant contract.

Notes of the Financial Statements

(d) Dividend

Dividend is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.5 Inventories

Raw materials, stores and spares

Raw materials, goods in transit, packing materials and stores and spares are valued at cost computed on moving weighted average basis, after providing for obsolescence, if any. The cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value.

Work in progress, traded and finished goods

Finished goods and work-in-progress are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis and comprises material, labour and applicable overhead expenses including depreciation. The net realizable value of materials in process is determined with reference to the selling prices of related finished goods. Stores and spares are valued at cost determined on weighted average basis.

Traded Goods are valued on FIFO basis. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Scrap

Scrap are valued at Net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.6 Fair Value Measurement

Accounting policies and disclosures require measurement of fair value for both financial and non-financial assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a

liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For changes that have occurred between levels of hierarchy during the year, the Company re-assesses categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The fair value of plants and equipments as at transition date have been taken based on valuation performed by an independent technical expert. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

2.7 Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn

Notes of the Financial Statements

down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

2.8 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(a) Initial recognition and measurement:

All financial assets are recognized initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

Financial assets at fair value

Financial assets at amortized cost

(c) Classification:

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(d) Financial assets measured at amortized cost:

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal

and interest. Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. The losses arising from impairment are recognized in the Statement of profit and loss. This category generally applies to trade and other receivables.

(e) Financial assets measured at fair value through other comprehensive income (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

(f) Financial assets measured at fair value through profit or loss (FVTPL):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

(g) Derecognition of Financial assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset, if an entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognize either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation shall be recognized at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognized for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

(h) Impairment of Financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition

Financial Liabilities

(a) Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(b) Classification & Subsequent measurement:

Notes of the Financial Statements

If a financial instrument that was previously recognized as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(c) Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. At initial recognition, such financial liabilities are recognized at fair value.

Financial liabilities at fair value through profit or loss are, at each reporting date, measured at fair value with all the changes recognized in the Statement of Profit and Loss.

(d) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

(e) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognized in statement of profit and Loss Account.

(f) Derecognition of Financial Liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis to realize the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to Other Income.

2.9 Leases

As a lessee

The Company's lease asset classes primarily consist of leases for land, buildings and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

Notes of the Financial Statements

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.10 Employee Benefit

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and performance incentives.

(i) Short-term obligations

Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

(ii) Other long-term employee benefit obligations

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Other Comprehensive Income in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized.

2.11 Income Taxes

Tax Expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and current tax.

Current Income Taxes

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and rules thereunder. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity).

Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their book bases. Deferred tax liabilities are recognized for all temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is

Notes of the Financial Statements

settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the relevant members of the Company will pay normal income tax during the specified period. Such asset is reviewed at each reporting period end and the adjusted based on circumstances then prevailing.

2.12 Share Capital and Securities Premium Reserve

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as securities premium reserve.

2.13 Earnings per Share

As per Ind AS 33, Earning Per Share, Basic earnings per share are computed by dividing the net profit (Loss) for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

2.14 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash in hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.15 Share based payment arrangements

Employee Stock Option Plan (ESOP): The Company recognizes compensation expense relating to share-based payments in net profit based on estimated fair-values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to stock option outstanding account.

2.16 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

2.17 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, the amount of a provision shall be the present value of expense expected to be required to settle the obligation. Provisions are therefore discounted, when effect is material, The discount rate shall be pre-tax rate that reflects current market assessment of time value of money and risk specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Notes of the Financial Statements

2.18 Contingent Liabilities, Contingent Assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognized, but are disclosed in the notes. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

Contingent Liabilities, Contingent Assets are reviewed at each balance sheet date.

2.19 Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised In Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented In the Statement of Profit and Loss on a net basis within other gains/(losses).

2.20 Impact of the Initial application of new and amended Ind ASs that are effective for the previous year

In the previous year, the Company had applied the below amendments to Ind ASs that are effective for an annual period that begins on or after April 1, 2020.

The Company has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the previous year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information

has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of the amendments has not had any material impact on disclosures or on the amounts reported in these standalone financial statements.

3 Use of estimates and critical accounting judgement

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

a) Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

i) Contingencies:

Contingent liabilities may arise from the ordinary course of business in relation to claims against the company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

ii) Recognition of Deferred tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability

Notes of the Financial Statements

that future taxable income will be available against which the deductible temporary differences and tax loss carry-forward can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

b) Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Useful lives of property, plant & equipment :

The Company reviews its estimate of the useful lives of property, plant & equipment at each reporting date, based on the expected utility of the assets.

ii) Defined benefit obligation :

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.

These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. In view of the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii) Inventories :

The Company estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

iv) Fair Value measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4 Recent Accounting Developments

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015 as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Notes of the Financial Statements

Note 5 : Property, Plant and Equipment

Particulars	(Amount in ₹ lakh)							Total		
	Freehold Land	Buildings	Furniture & Fixtures	Plant & Equipment	Office Equipment	Electrical Installations	Computer		Vehicle	
Gross Block										
Balance as at April 1, 2020	3,387.08	4,527.14	237.71	8,291.00	98.00	610.22	140.03	241.16	17,532.34	
Additions	1,093.80	2,938.07	4.37	3,829.95	30.08	357.72	47.92	145.62	8,447.53	
Disposals	-	-	-	3.26	-	-	-	12.80	16.06	
Balance as at March 31, 2021	4,480.88	7,465.21	242.08	12,117.68	128.08	967.94	187.95	373.98	25,963.81	
Additions	41.69	1,228.71	46.09	2,374.45	87.55	279.05	84.53	30.91	4,172.99	
Disposals	-	-	-	87.93	-	-	5.47	26.41	119.82	
Balance as at March 31, 2022	4,522.57	8,693.92	288.17	14,404.20	215.63	1,246.99	267.01	378.48	30,016.98	
Accumulated Depreciation and Impairment										
Balance as at April 1, 2020	-	947.87	66.65	3,713.21	66.90	189.89	89.06	157.39	5,230.97	
Depreciation charge during the year	-	479.63	44.91	961.86	20.31	125.49	33.74	37.37	1,703.32	
Deductions	-	-	-	0.61	-	-	-	3.04	3.65	
Balance as at March 31, 2021	-	1,427.50	111.56	4,674.46	87.21	315.38	122.80	191.73	6,930.64	
Additions	-	614.09	36.80	1,506.29	34.62	211.48	67.19	63.76	2,534.24	
Disposals	-	-	-	27.96	-	-	5.47	23.49	56.91	
Balance as at March 31, 2022	-	2,041.59	148.36	6,152.80	121.83	526.86	184.52	232.00	9,407.97	
Net Carrying Value										
Balance as at March 31, 2022	4,522.57	6,652.33	139.81	8,251.40	93.80	720.13	82.49	146.48	20,609.01	
Balance as at March 31, 2021	4,480.88	6,037.71	130.52	7,443.22	40.86	652.56	65.15	182.25	19,033.17	

Note:

Property, plant and equipment as detailed in note 5 have been pledged as security for term loans taken as at March 31, 2022. See note 16(a) for loans taken against which these assets are pledged.

Notes of the Financial Statements

(Amount in ₹ lakh)

Note 6: Capital work-in-progress

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2021	694.69	76.34	-	-	771.03
As at March 31, 2022	484.62	221.39	-	-	706.01

Note 7 : Intangible Assets

Particulars	Software	Goodwill	Total
Gross Block			
Balance as at April 1, 2020	132.06	2,088.03	2,220.09
Additions	11.85	-	11.85
Balance as at March 31, 2021	143.91	2,088.03	2,231.94
Additions	3.14	-	3.14
Balance as at March 31, 2022	147.05	2,088.03	2,235.08
Accumulated amortization & impairment			
Balance as at April 1, 2020	50.89	-	50.89
Amortization Expenses	47.60	-	47.60
Balance as at March 31, 2021	98.49	-	98.49
Amortization Expenses	24.58	-	24.58
Balance as at March 31, 2022	123.07	-	123.07
Net Carrying Value			
Balance as at March 31, 2022	23.98	2,088.03	2,112.01
Balance as at March 31, 2021	45.43	2,088.03	2,133.46

Note 8 : Right to use Asset

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	931.54	943.38
Additions	-	-
Deductions	-	-
Depreciation/Amortisation	11.84	11.84
Closing Balance	919.70	931.54

Notes

(i) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The lease term is 76-90 years for land. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the standalone statement of Profit and Loss.

(ii) The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021 :

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease liability	-	-
Non-current lease liability	5.64	5.62
Total	5.64	5.62

Notes of the Financial Statements

(Amount in ₹ lakh)

(iii) The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021 :

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning	5.62	5.60
Additions	-	-
Finance Cost accrued during the period	0.44	0.44
Deletions	-	-
Payment of lease liabilities	0.42	0.42
Balance as at the end	5.64	5.62

(iv) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis :

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	0.42	0.42
One to five years	2.11	2.11
More than five years	227.98	228.40
Total	230.51	230.93

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹58.55 lacs for the year ended March 31, 2022 (March 31, 2021: ₹30.27 lacs)

Note 9(a) : Investments

Particulars	Paid Up Value (₹)	As at March 31, 2022		As at March 31, 2021	
		Number of Shares	Amount	Number of Shares	Amount
A. Investment in Equity Instruments at Fair value through other comprehensive income					
Unquoted					
(a) APL Infrastructure Private Limited	10.00 each	27,200	288.69	27,200	30.54
(b) Ampsolar Urja Private Limited	10.00 each	1,27,755	12.60	-	-
		1,54,955	301.29	27,200	30.54
B. Investment in Debentures					
(b) Ampsolar Urja Private Limited	100.00 each	11,340	113.40	-	-
		11,340	113.40	-	-
Total			414.69		30.54

Note 9(b) : Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
Security Deposits	270.62	263.23
Balance with Banks in Margin money with maturity more than 12 Months	6.52	6.38
Total	277.14	269.60

Notes of the Financial Statements

(Amount in ₹ lakh)

Note 10 : Other Non Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
Capital Advances	842.65	936.78
Payment under protest		
-Value added tax	8.60	7.41
Total	851.25	944.19

Note :

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially effect on its financial statements.

Note 11 : Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Materials	5,127.36	3,873.74
Finished Goods/Semi Finished Goods/ Work in Progress	6,733.50	3,281.84
Scrap	183.58	112.06
Stores and Spares	638.37	408.24
Stock in Transit	480.56	145.73
Total	13,163.37	7,821.61

Note :

(i) Cost of inventory (including stores & spares) recognised as expense during the year amounted to ₹1459.33 lacs (March 31, 2021 : ₹983.20 lacs).

(ii) The mode of valuation of inventory has been stated in note 2.5 of significant accounting policies.

(iii) Inventory have been pledged as security towards companies borrowings from banks.

Note 12(a) : Investments (Current)

Particulars	Paid Up Value (₹)	As at March 31, 2022		As at March 31, 2021	
		Number of Shares	Amount	Number of Shares	Amount
Investment in Equity shares at fair value through other comprehensive income					
Quoted					
Jinndal Stainless Steel Limited	10.00 each	-	-	25,000	16.88
Jinndal Steel & Power Limited	10.00 each	5,000	10.13	-	-
Ampsolar Urja Private Limited	10.00 each	-	-	195	0.02
Surya Roshni Limited	10.00 each	2,000	8.27	-	-
Total			18.40		16.90

Note 12(b) : Trade Receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Considered Good- unsecured	7,098.35	6,278.02
Less: Allowance for expected credit loss	(48.35)	(8.95)
Total	7,050.00	6,269.07

Notes of the Financial Statements

(Amount in ₹ lakh)

Ageing schedule:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2022						
Undisputed - Considered good	6,282.67	405.40	99.25	45.77	41.61	6,874.70
Disputed - Considered good	-	-	81.20	94.09	-	175.30
Total	6,282.67	405.40	180.45	139.86	41.61	7,050.00

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2021						
Undisputed - Considered good	5,403.82	26.61	318.74	265.62	16.52	6,031.31
Disputed - Considered good	1.39	-	81.20	74.02	81.15	237.76
Total	5,405.21	26.61	399.94	339.64	97.67	6,269.07

Movement in the expected credit loss allowance

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period	8.95	-
Provision/(reversal) of allowance for expected credit loss (net)	45.41	8.95
Bad debts written off during the period	(6.01)	-
Balance at the end of the period	48.35	8.95

Note 12(c) : Cash & Cash Equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks		
In Current Account	56.16	7.82
In Cash credit Account	105.24	-
In Fixed deposit accounts with original maturity of less than 3 months	2,500.00	-
Cash in Hand	7.42	3.97
Total	2,668.82	11.79

Note 12(d) : Earmarked Balances with Bank

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividend deposited in Bank	0.61	0.61
Total	0.61	0.61

Note 12(e) : Bank Balances other than Cash & Cash Equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances in fixed deposit accounts with original maturity more than 3 months but less than 12 months	1,510.49	7,209.38
Balances with the Banks to the extent held as margin money or security against the borrowings, guarantees & other commitments	-	-
Total	1,510.49	7,209.38

Notes of the Financial Statements

(Amount in ₹ lakh)

Note 12 (f) : Loans (Current)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
Loan to Employees	42.17	32.60
Others*	104.28	100.00
Loan to Apollo Pipes Employees Welfare Trust	420.50	500.50
Total	566.95	633.10

* The Company has approached National Company Law Tribunal (NCLT) in Dec, 2020 to recover the loan given to Kisan Moulding Limited during the acquisition of manufacturing facilities at Tumkur, Karnataka.

Note 12 (g) : Other Financial Assets (Current)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
Security Deposits	55.65	67.66
Claim receivable	-	243.68
Interest accrued but not due on Fixed Deposits with Banks	158.46	425.82
Total	214.11	737.16

Note 13 : Other Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
Prepaid Expenses	315.77	59.00
Advance to Suppliers	2,005.31	1,828.24
Payments under Protest		
-Goods and Services Tax	7.91	7.91
Indirect Tax Balance recoverables/credits	809.12	649.54
Other Receivable	165.43	67.60
Total	3,303.54	2,612.29

Note 14: Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
(a) Authorised :				
Equity shares of the par value of ₹10/- each	4,50,00,000	4,500.00	1,65,50,000	1,655.00
(b) Issued and subscribed:				
Outstanding at the end of the year	3,93,28,206	3,932.82	1,31,09,402	1,310.94
	3,93,28,206	3,932.82	1,31,09,402	1,310.94

a) Reconciliation of Number of Shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	13,109,402	1,310.94	13,109,402	1,310.94
Add: Issue of bonus shares*	26,218,804	2,621.88	-	-
Deletion during the year				
Balance as at the end of the year	39,328,206	3,932.82	13,109,402	1,310.94
	3,93,28,206	3,932.82	1,31,09,402	1,310.94

Notes of the Financial Statements

(Amount in ₹ lakh)

*The Board has allotted the bonus shares at 2:1 ratio in its Board Meeting held on December 6, 2021. Accordingly, the number of shares increased from 1,31,09,402 to 3,93,28,206. The paid-up capital on account of Bonus issue of Rupees 2,621.88 lacs has been appropriated from Securities Premium account.

b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shareholders holding more than 5% share in the company are set out below:

Name of Shareholders	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% of Share	Number of Shares	% of Share
Sameer Gupta	96,72,762	24.59	32,24,254	24.59
Meenakshi Gupta	1,03,07,238	26.21	34,35,746	26.21

d) Details of shares held by the promoters:

Name of Shareholders	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% of Share	Number of Shares	% of Share
Sameer Gupta	96,72,762	24.59	32,24,254	24.59
Meenakshi Gupta	1,03,07,238	26.21	34,35,746	26.21
Sanjay Gupta (HUF)	4,84,200	1.23	1,61,400	1.23

Note 15 : Other Equity

Particulars	As at March 31, 2022	As at March 31, 2021
Retained earnings	18,693.95	13,717.46
General reserve	11.54	11.54
Securities premium account	15,427.00	18,055.59
Capital reserve	2,006.00	2,006.00
Share option outstanding account	182.13	33.52
Other comprehensive income	279.55	11.70
Total	36,600.17	33,835.81

Note 16 (a) : Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Term Loan from Banks	1,838.68	2,882.24
	1,838.68	2,882.24
Less: Current Maturities of Long Term Debt	(920.59)	(1,062.25)
Total	918.09	1,819.98

Notes of the Financial Statements

(Amount in ₹ lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non current borrowings	Current borrowings	Non current borrowings	Current borrowings
Term loan from banks are secured as follows:				
Term Loan facilities are secured by exclusive charge on industrial land, building and all other Fixed Assets purchased through Term Loan Facility at Ahmedabad unit situated at Plot no.359 and 374, Rajkot Highway Kochariya Bavla, Ahmedabad, Gujarat. Term loan facilities are further secured by First pari passu charge on the entire present and future current assets of the company. Term Loan facilities of Apollo Pipes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company. Credit facilities are further secured by personal guarantee of the Mr. Sameer Gupta and Mr. Sanjay Gupta. The loan outstanding is amounting to ₹141.67 lacs repayable in 6 equal quarterly installments.	-	141.67	141.67	283.33
Term Loan facilities are secured by exclusive charge on immovable property situated at Noida, Corporate office- A-140, Sector 136, Noida, Uttar Pradesh. Term Loan facilities of Apollo Pipes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company. Credit facilities are further secured by personal guarantee of the Mr. Sameer Gupta and Mr. Sanjay Gupta. Loan outstanding amounting to ₹485.62 lacs repayable in 12 equal quarterly installments.	110.25	375.00	466.56	375.00
Term loan -1 Facilities secured by Exclusive Charge on Solar Project at Dadri Plant situated at Dhoom Manikpur, Dadri. Term Loan -2 Facilities are secured by Exclusive charge on Industrial Land of Plot No. 172B & 173A, Vasanthanasapura Industrial area, Tumkur, Karnataka and all other Fixed Assets purchased through Term Loan at Tumkur unit. Credit facilities are further secured by personal guarantee of the Mr. Sameer Gupta and Mr. Sanjay Gupta. Loan-1 amounting to ₹252.00 lacs repayable in 16 equal quarterly installments. Loan-2 amounting to ₹959.75 lacs repayable in 16 equal quarterly installments.	807.84	403.92	1211.75	403.92
	918.09	920.59	1819.98	1062.25

Notes of the Financial Statements

(Amount in ₹ lakh)

Note 16 (b) : Lease Liability

Particulars	As at March 31, 2022	As at March 31, 2021
Leasehold Land	5.64	5.62
Total	5.64	5.62

Note 17 : Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity (Refer Note 38)	155.93	131.56
Total	155.93	131.56

Note 18 : Deferred Tax Assets/ Liabilities (Net)

(a) Component of deferred tax assets and liabilities are :-

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities on account of		
- Property, plant and equipments and other intangible assets	207.50	284.28
- Others	11.14	8.70
Total deferred tax liabilities (A)	218.64	292.98
Deferred Tax Assets on account of		
- Provision for employee benefit expenses	69.53	49.47
- Fair Valuation of Investments	12.81	6.47
Total deferred tax assets (B)	82.34	55.94
Disclosed as Deferred Tax Liabilities (Net - A-B)	136.30	237.04

(b) Movement in deferred tax liabilities / asset

Particulars	As at April 1, 2020	(Profit) / Loss Recognised in profit or loss	(Profit) / Loss Recognised in other comprehensive income	As at March 31, 2021
Deferred Tax Liabilities (A)				
Property, plant and equipments and other intangible assets	285.78	(1.50)	-	284.28
Others	6.01	2.69	-	8.70
Total	291.79	1.19	-	292.98
Deferred Tax Assets (B)				
Provision for employee benefit expenses	40.45	9.02	-	49.47
Fair Valuation of Investments	4.85	1.62	-	6.47
Total	45.30	10.64	-	55.94
Deferred tax liabilities (Net - A-B)	246.49	(9.45)	-	237.04

Notes of the Financial Statements

(Amount in ₹ lakh)

Particulars	As at April 1, 2021	(Profit) / Loss Recognised in profit or loss	(Profit) / Loss Recognised in other comprehensive income	As at March 31, 2022
Deferred Tax Liabilities (A)				
Property, plant and equipments and other intangible assets	284.28	76.78	-	207.50
Others	8.70	2.44	-	11.14
Total	292.98	79.22	-	218.64
Deferred Tax Assets (B)				
Provision for employee benefit expenses	49.47	20.06	-	69.53
Fair Valuation of Investments	6.47	6.34	-	12.81
Total	55.94	26.40	-	82.34
Deferred tax liabilities (Net - A-B)	237.04	52.82	-	136.30

Note 19(a) : Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Loan repayable on demand from Banks(see note below)	2,027.46	3,405.38
Current Maturities of Non current Loans	920.59	1,062.25
Total	2,948.05	4,467.63

Note:

The Working Capital facilities from banks are secured by first pari passu charge on all current assets. These credit facilities are further collaterally secured by movable fixed assets, present and future, of the company & personal guarantees of Mr. Sameer Gupta & Mr. Sanjay Gupta.

Note 19(b) : Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues to Micro and Small Enterprises (see note 33)	1,397.62	560.83
Total outstanding dues to other than Micro and Small Enterprises	4,101.04	4,255.43
Total	5,498.66	4,816.26

Ageing schedule:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
As at March 31, 2022					
(a) Micro, small and medium enterprises	1,397.62	-	-	-	1,397.62
(b) Others	4,101.04	-	-	-	4,101.04
Total	5,498.66	-	-	-	5,498.66

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
As at March 31, 2021					
(a) Micro, small and medium enterprises	560.83	-	-	-	560.83
(b) Others	4,255.43	-	-	-	4,255.43
Total	4,816.26	-	-	-	4,816.26

Notes of the Financial Statements

(Amount in ₹ lakh)

Note 19(c) : Other Financial Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit	-	5.01
Interest accrued but not due on borrowings	15.80	29.29
Employee Benefits Payable	284.39	207.04
Expenses Payable	2,570.96	1,633.78
Unclaimed Dividend	0.61	0.61
Total	2,871.76	1,875.73

Note 20 : Provisions (Current)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity (see note 38)	18.69	13.63
Provision for Compensated Absences	24.00	12.00
Total	42.69	25.63

Note 21 : Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Advances from customers	502.74	353.30
Statutory liabilities	127.97	163.81
Total	630.71	517.11

Note 22 : Current Tax Liabilities (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Taxation	1,911.00	1,677.12
Less: Advance Tax & TDS	(1,265.72)	(1,295.00)
Current Tax Liabilities (Net)	645.28	382.12

Note 23 : Revenue from operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Products		
Finished Goods:		
Within India	76,960.88	49,583.10
Outside India	294.63	245.61
Traded Goods	825.82	1,782.50
Total Sales (A)	78,081.33	51,611.21
Other Operating Revenue:		
Scrap Sale	326.03	195.62
(B)	326.03	195.62
Other Operating Income:		
Export Incentives	0.18	-
(C)	0.18	-
Total (A+B+C)	78,407.54	51,806.83

Notes of the Financial Statements

(Amount in ₹ lakh)

Reconciliation of revenue recognised with contract price :

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract price	1,10,172.28	72,265.33
Adjustments for:		
Discount & incentives	(31,764.73)	(20,458.50)
Total	78,407.55	51,806.83

Note 24 : Other Income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on Fixed Deposits	243.56	573.90
Interest income on others	-	8.90
Profit on Sale of Property, Plant & Equipment	12.63	-
Gain on foreign currency transactions (Net)	42.57	231.89
Gain on Financial Asset measured on Fair value through profit and loss account	3.59	10.88
Miscellaneous Income	77.01	15.58
Total	379.36	841.15

Note 25 : Cost of Materials Consumed

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories of raw materials at the beginning of the year	4,069.88	3,875.12
Add: Purchases of Raw Material	61,265.72	35,654.17
Less: Inventories of raw materials at the end of the year	(5,127.36)	(4,069.88)
Total	60,208.24	35,459.41

Note 26 : Changes in inventories of finished goods, work in progress, stock in trade, rejection and scrap

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the beginning of the year		
Finished/Semi Finished Goods	(3,739.63)	3,840.70
(A)	(3,739.63)	3,840.70
Inventories at the end of the year		
Finished/Semi Finished Goods	7,397.64	3,739.63
(B)	7,397.64	3,739.63
Total (A-B)	(3,658.01)	101.07

Note 27 : Employee Benefit Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, Wages & Bonus	3,691.08	2,660.63
Share-based payments to employees	148.61	33.52
Contribution to provident and other funds	105.38	82.45
Gratuity	46.13	37.46
Compensated Absences	16.56	13.91
Staff welfare expenses	133.29	98.18
Total	4,141.05	2,926.15

Notes of the Financial Statements

(Amount in ₹ lakh)

During the year, the Company recognized an amount of ₹120.00 lakhs (Year ended March 31, 2021: ₹116.50 lakhs) as remuneration to Director.

The details of such remuneration is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
- Short term employee benefits	120.00	116.50
- Post employment benefits	-	-
Total	120.00	116.50

Note 28 : Financial Costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense:		
- Term Loan	169.17	217.59
- Working capital facilities	238.52	181.79
- Other borrowing cost	20.64	36.44
- On Leases	0.44	0.44
Total	428.77	436.26

Note 29 : Depreciation and amortization

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property, plant and equipment (see note 5)	2,534.24	1,703.32
Amortisation on right of use assets (see note 7)	11.84	11.84
Amortisation on intangible assets (see note 8)	24.07	47.60
Total	2,570.16	1,762.76

Note 30 : Other Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Stores & Spares Consumed	1,459.33	983.20
Bank Charges	9.02	17.84
Rent	58.55	30.28
Rates, Fees & Taxes	96.46	35.72
Testing Charges	32.29	25.28
Insurance Expenses	90.53	61.38
Job Work Charges	80.39	100.78
Security Expense	101.44	84.37
Power & Fuel Expenses	1,921.83	1,417.66
Repair & Maintenance Expenses		
(i) Building	36.62	18.84
(ii) Plant & Machinery	91.78	107.76
(iii) Others	91.12	124.38
Corporate social responsibility (see note 36)	91.40	68.40
Legal & Professional Charges (see note below)	243.70	101.71
Travelling & Conveyance Expenses	322.18	176.94
Communication Expenses	32.73	30.61
Miscellaneous Expenses	119.10	54.28
Bad Debts written off	6.01	0.04
Allowance for expected credit losses	39.38	8.95

Notes of the Financial Statements

(Amount in ₹ lakh)

Note 30 : Other Expenses (contd...)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss on sale of fixed assets	46.90	-
Advertisement & Publicity	856.17	444.98
Sales Promotion Expenses	42.82	49.94
Other Selling Expenses	181.18	155.17
Freight Outward	1,557.09	1,177.46
Total	7,608.02	5,275.97

Legal & professional charges include auditor's remuneration as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Statutory Auditors		
For Audit (including quarterly reviews)	6.00	4.00
For other services	3.82	3.12
Reimbursement of expenses	0.34	0.18
Total	10.16	7.30

Note 31 : Tax Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Income Tax		
Current Tax on profits for the year	1,839.18	1,626.66
Adjustments for tax of prior periods	-	-
Total current tax expense (A)	1,839.18	1,626.66
Deferred Tax		
(Decrease) / increase in deferred tax liabilities	(96.11)	(6.93)
Total deferred tax expense/(benefit) (B)	(96.11)	(6.93)
Total	1,743.07	1,619.73

Reconciliation of Tax expense and the accounting profit multiplied by India's Tax Rate:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before Income Tax expenses	6,719.55	6,067.16
Enacted Tax Rates in India	25.17%	25.17%
Computed Expected Income Tax Expense	1,691.18	1,526.98
Effect of Expenses Disallowed	756.44	488.51
Deductions	(689.79)	(586.46)
Others	81.35	197.63
Income tax expense recognized in statement of profit and loss	1,839.18	1,626.66

Notes of the Financial Statements

(Amount in ₹ lakh)

Note 32 : Earnings Per Share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Basic		
Profit for the year attributable to owners of the company (amount in ₹)	49,76,49,246	44,48,01,180
Weighted Average number of equity shares used to compute basic earning per share	3,93,18,984	3,93,18,984
Basic Earnings per share of ₹10/- each (March 31, 2021: ₹10/- each)	12.65	11.31
b) Diluted		
Profit for the year attributable to owners of the company (amount in ₹)	49,76,49,246	44,48,01,180
Weighted average number of equity shares of ₹10/- each (March 31,2020: ₹10/- each)	3,93,18,984	3,93,18,984
outstanding at the end of the year		
Diluted Earnings Per share of ₹ 10/- each (March 31,2020: ₹ 10/- each)	12.65	11.31

Note 33 : Payable to MSMED

The Company has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	6.80
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	1.66
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	329.16
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Note 34 : Segment Information

The Company is engaged in manufacturing and trading of UPVC,CPVC,HDPE Pipes and Fittings. Information is reported to and evaluated regularly by the Chief Operational Decision Maker (CODM) i.e. Managing Director for the purpose of resource allocation and assessing performance focuses on the business as whole . The CODM reviews the Company's performance focuses on the analysis of profit before tax at an overall entity level. Accordingly, there is no other separate reportable segment as defined by IND AS 108 Operating Segments.

Note 35 : Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which were specified in schedule VII of the Companies Act,2013:

Notes of the Financial Statements

(Amount in ₹ lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Amount required to be spent as per section 135 of Companies Act, 2013	88.24	128.15
Amount of expenditure in the books of accounts	91.40	128.15
Actual expenditure	91.40	128.48
Provision made for liability	0.00	0.00
(Shortfall)/ Excess at the end of the year	3.16	0.33
Total of previous years shortfall		
Reason for shortfall	Not Applicable	Not Applicable
Nature of CSR activities	Other than Construction of any asset	Other than Construction of any asset
Details of related party transactions	None	None

Note 36 : COVID-19

The Management has made the assessment of possible impact of Covid 19 on its liquidity, recoverable values of its financial & non-financial assets and has concluded that there are no significant adjustments required in the financial results. Further, the Management will continue to closely monitor any material changes to future economic conditions.

Note 37 : Contingent Liabilities**Letters of Credit**

Outstanding Letters of Credit provided by banks on behalf of the company is ₹13,619.62 Lakh (March 31, 2021: ₹6542.71 Lakh)

Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2022	As at March 31, 2021
(1) Disputed claims/levies in respect of Sales Tax:		
- Reversal of input tax credit	-	-
- Regular Assessment Order passed (Ex parte)	421.65	421.65
- Regular Assessment Order passed (Ex parte)	502.46	-
	924.11	421.65
(2) Disputed claims/levies in respect of Excise Duty:		
- Availability of input credit	-	-
(3) Disputed claims/levies in respect of Customs Act:		
- Rejection of transaction value	3.91	3.91
	3.91	3.91
(4) Disputed claims/levies in respect of Income Tax	2,990.75	6.75
Total	3,918.77	432.31
Less: Paid	-	-
Total (Net)	3,918.77	432.31

The Company has reviewed all its pending litigations and proceedings and no Provision has been considered necessary since the Company does not expect the outcome of these proceedings to have a materially effect on its financial statements.

Note 38 : Employee benefit obligations**(A) Defined Contribution Plans**

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Notes of the Financial Statements

(Amount in ₹ lakh)

During the year, the Company has recognized the following amounts towards defined contribution plan in the Statement of Profit and Loss –

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's Contribution to Provident Fund	105.38	82.45

Included in 'Contribution to provident and other funds' under Employee Benefits Expense (Refer Note 27)

(B) Defined Benefit Plans**a. Description of the employee Benefit Plan**

The company has an obligation towards gratuity, unfunded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days/ one month salary, as applicable, payable for each completed year of service or part thereof in excess of six months in terms of Gratuity scheme of the company or as per payment of Gratuity Act, whichever is higher. Vesting occurs upon completion of five years of service.

b. Risk exposure**Investment Risk**

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount risk which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, for the plan in India, it has relatively balanced mix of investments in Insurance related products.

Interest Rate Risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt .

Longevity Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31,2022 by an actuary.

c. Details as per actuarial valuation are as follows:**(i) Change in present value of obligation**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Present value of obligation as at the beginning of the period	145.19	123.58
Acquisition adjustment	-	-
Interest cost	9.87	8.40
Service cost	36.25	29.06
Past service cost including curtailment Gains/ Losses	-	-
Benefits paid	(11.65)	(4.10)
Total Actuarial (Gain)/Loss on obligation	(5.05)	(11.76)
Present value of obligation as at the end of period	174.61	145.19

Notes of the Financial Statements

(Amount in ₹ lakh)

(ii) Liabilities recognized in the Balance Sheet

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net defined benefit liability at the start of the period	145.18	123.58
Acquisition Adjustment	-	-
Total Service Cost	36.25	29.06
Net Interest cost (Income)	9.87	8.40
Re-measurements	(5.05)	(11.76)
Contribution paid to the fund	-	-
Benefit paid directly by the enterprise	(11.65)	(4.10)
Net defined benefit liability at the end of the period	174.60	145.18
Net Asset/(Liability) recognized in Balance Sheet	174.60	145.18
Recognized Under :		
Short Term Provision	18.69	13.63
Long Term Provision	155.93	131.56
Total	174.62	145.19

(iii) Expense recognized in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Total service cost	36.25	29.06
Interest cost	9.87	8.40
Expenses recognized in the Statement of Profit & Losses	46.12	37.46

(iv) Other Comprehensive Income (OCI)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening cumulative unrecognized actuarial gain/ (loss)	-	-
Actuarial gain/ (loss) for the year on Post benefit obligation	5.05	11.76
Actuarial gain/ (loss) for the year on Assets	-	-
Unrecognized actuarial gain/ (loss) for the year	5.05	11.76

(v) Principal Actuarial assumptions

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount Rate per annum	7.19%	6.80%
Salary Escalation rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM [2012-2014]	IALM [2012-2014]

(vi) Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is :

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Impact of the Change in Discount Rate		
Present Value of Obligation at the end of the period	174.60	145.18
Increased by 0.50%	(9.83)	(8.30)
Decreased by 0.50%	10.80	9.13
(b) Impact of the Change in Salary Increase		
Present Value of Obligation at the end of the period	174.60	145.18
Increased by 0.50%	10.92	9.20
Decreased by 0.50%	(10.02)	(8.44)

Notes of the Financial Statements

(Amount in ₹ lakh)

(vii) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 17.54 years in case of Gratuity. The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Less than a year	18.69	13.63
Between 1-2 years	3.00	4.90
Between 2-3 years	4.19	2.62
Between 3-4 years	4.85	3.32
Between 4-5 years	5.77	3.38
Between 5-6 years	11.09	4.32
More than 6 years	127.02	113.01
Total	174.62	145.19

Note 39 : Capital & other commitments**Capital Commitments:** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rupees Nil (31 March, 2021: Rupees Nil)**Note 40 : Related Party Transactions as required by Ind AS 24 - 'Related Party Disclosures'****Details of related parties:****a) Key Managerial Personnel:**

Name	Designation
Mr. Sameer Gupta	Managing Director
Mr. Sanjay Gupta	Non Executive Director
Mr. Saket Aggarwal	Non Executive Director
Mr. Ajay Kumar Jain	Chief Financial Officer
Mr. Ankit Sharma	Company Secretary

b) Relatives of Key Managerial Personnel of Parent Company who are under the employment of the Parent Company:

Name	Relation
Mrs. Saroj Rani Gupta	Mother of Mr. Sameer Gupta
Mrs. Meenakshi Gupta	Wife of Mr. Sameer Gupta
Mr. Vinay Gupta	Brother of Mr. Sameer Gupta

c) Entities where Directors/Relatives of Directors have control/significant influence:

APL Apollo Tubes Limited
Shree Lakshmi Metal Udyog Limited
APL Infrastructure Private Limited
Apollo Metalex Private Limited
Apollo Tricoat Tubes Limited
APL Apollo Buildings Products Private Limited
Best Steel Solutions Private Limited
M/s Shree Ganesh Steel Tubes

Notes of the Financial Statements

(Amount in ₹ lakh)

Transactions with Related Parties

Particulars	Relationship	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Goods			
APL Apollo Tubes Limited	Entity having Significant Influence	203.55	269.84
Apollo Metalex Private Limited	Entity having Significant Influence	112.82	137.24
Apollo Tricoat Tubes Limited	Entity having Significant Influence	11.74	0.62
APL Apollo Buildings Products Private Limited	Entity having Significant Influence	19.63	-
M/S Shree Ganesh Steel Tubes	Entity having Significant Influence	-	28.38
Purchase of License			
APL Apollo Tubes Limited	Entity having Significant Influence	30.93	183.46
Apollo Metalex Private Limited	Entity having Significant Influence	-	48.27
Purchase of Goods			
APL Apollo Tubes Limited	Entity having Significant Influence	142.59	97.62
Best Steel Solutions Private Limited	Entity having Significant Influence	21.59	10.92
Apollo Metalex Private Limited	Entity having Significant Influence	0.09	-
Employee Benefit Expenses			
Mr. Ajay Kumar Jain	Key Managerial Personnel	32.41	19.91
Mr. Ankit Sharma	Key Managerial Personnel	15.64	8.69
Reimbursement of Expenses			
Mr. Ajay Kumar Jain	Key Managerial Personnel	5.66	5.87
Director Remuneration			
Mr. Sameer Gupta	Key Managerial Personnel	120.00	116.50
Repayment of Loans/Advances given			
Mr. Ajay Kumar Jain	Key Managerial Personnel	4.35	2.4
Rent Expense			
Mrs. Saroj Rani Gupta	Relatives of Key Managerial Personnel	3.00	3.00
Rent Income			
APL Apollo Tubes Limited	Entity having Significant Influence	34.91	14.7

Notes of the Financial Statements

(Amount in ₹ lakh)

Balance Outstanding at the end of Accounting Year

Particulars	Relationship	For the year ended March 31, 2022	For the year ended March 31, 2021
Trade Receivables			
APL Apollo Tubes Limited	Entity having Significant Influence	266.71	81.26
Apollo Metalex Private Limited	Entity having Significant Influence	7.30	18.08
Apollo Tricoat Tubes Limited	Entity having Significant Influence	11.64	-
Trade Payables			
APL Apollo Tubes Limited	Entity having Significant Influence	244.94	69.76
Apollo Metalex Private Limited	Entity having Significant Influence	0.10	-
Best Steel Solutions Private Limited	Entity having Significant Influence	-	10.92
Loans/Advances (Net of Receipts & Payments)			
Ajay Kumar Jain	Key Managerial Personnel	0.25	4.60

Note 41: Share Based Payments**(a) Employee Share Option Plan:**

- The ESOS scheme titled Employee Stock Option Scheme 2020 (ESOS 2020) was approved by the shareholders through postal ballot on April 21, 2020. 91,400 options are covered under the Scheme for 91,400 Equity shares.
- During the financial year 2020-21, the Nomination and Remuneration Committee in its meeting held on January 16, 2021 has granted 91,400 options respectively under the ESOS to eligible employees of the Company. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within one year from last date of vesting. The exercise price of each option is the market price of the shares on the stock exchange with the highest trading volume, one day before the date of grant of options. The exercise price has been determined at ₹498 per share.

(b) The following share based payment arrangements were in existence during the current and prior years:

Number of options granted	Grant Date	Expiry Date	Exercise Price (INR)	Fair Value at grant date (INR)
91,400	16-Jan-21	15-Jan-26	Rs.498.00	Rs.735.55

(c) Fair value option granted

The weighted average fair value of the share options granted during the current financial year is ₹364.38. Options were priced using Black Scholes Model. Option granted during year is as follows:

Particulars	Grant on January 16, 2021
Grant date share price (INR)	735.55
Exercise Price (INR)	498
Expected volatility	44.54%-48.30%
Option Life	4
Dividend yield	0.08%
Risk-free Interest Rate	4%-5.21%

Notes of the Financial Statements

(Amount in ₹ lakh)

(d) Movement in share option during the year

The following reconciles the share options outstanding at the beginning and end of the year:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	86,200	-
Bonus issue during the year	1,72,400	-
Granted during the year	-	91,400
Vested during the year	-	-
Lapsed during the year	59,100##	5,200#
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Options outstanding at the end of the year	1,99,500	86,200

During the year ended March 31, 2022, 15 Employees to whom option was granted had resigned from the company so their options lapsed during the year.

#During the year ended March 31, 2021, 7 Employees to whom option was granted had resigned from the company so their options lapsed during the year.

(e) Share option exercised during the year

No options were exercised during the year.

(f) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions, i.e., employee share option plan during the year recognized in profit or loss as part of employee benefit expense is ₹148.61 Lacs (Previous Year : ₹33.68 Lacs).

(g) No option expired during the year.

Note 42 : Financial Instruments

Financial Instruments by Category

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
Investments	18.40	414.69	-	16.90	30.54	-
Trade receivable	-	-	7,050.00	-	-	6,269.07
Cash and Bank Balances	-	-	4,179.31	-	-	7,221.17
Loans	-	-	566.95	-	-	633.10
Other Financial Assets	-	-	491.25	-	-	1,006.76
Total Financial Assets	18.40	414.69	12,287.51	16.90	30.54	15,130.10
Financial Liabilities						
Borrowings	-	-	3,866.14	-	-	6,287.61
Trade Payables	-	-	-	-	-	-
Other Financial Liabilities	-	-	2,871.76	-	-	1,875.73
Total Financial Liabilities	-	-	6,737.91	-	-	8,163.34

Notes of the Financial Statements

(Amount in ₹ lakh)

Fair Value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at March 31, 2022	Level 1	Level 2	Level 3
Financial Assets			
Financial Investments at FVTPL			
Quoted equity instruments	18.40	-	-
Financial Investments at FVOCI			
Unquoted equity instruments	-	-	414.69
Total Financial Assets	18.40	-	414.69
As at March 31, 2021	Level 1	Level 2	Level 3
Financial Assets			
Financial Investments at FVTPL			
Quoted equity instruments	16.90	-	-
Financial Investments at FVOCI			
Unquoted equity instruments	-	-	30.54
Total Financial Assets	16.90	-	30.54

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments and over the counter (OTC) derivative contracts.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in debt mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e., Net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of income approach, in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Note 43: Financial Risk Management

The Company's management monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The management reviews cash resources, implements strategies for foreign currency exposures and ensuring market risk limit and policies.

The company enters into Financial Instruments including Derivative Financial Instruments to minimize any adverse effect in its financial performance due to foreign exchange risk.

(a) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign

Notes of the Financial Statements

(Amount in ₹ lakh)

currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.

(i) Foreign currency risk

The Company's functional currency in Indian Rupees (INR). The Company undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw material. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in the increase in the Company's overall debt positions in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivable in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and options. In respect of imports and other payables, the Company hedges its payable as when the exposure arises.

Details of derivative instruments and unhedged foreign currency exposure :-

(1) The position of foreign currency exposure to the Company as at the end of the year are as follows :

Forward contract outstanding	Buy/Sell	As at March 31, 2022	As at March 31, 2021
USD in lakh	Buy	179.66	89.01
Equivalent amount in Rupees in lakh	Buy	13,619.62	6,542.72

(2) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Currency	As at March 31, 2022	As at March 31, 2021
Payables:		
USD in lakh	1.93	0.53
Equivalent amount in Rupees in lakh	146.14	38.90
Advance paid to vendors:		
USD in lakh	2.82	16.91
Equivalent amount in Rupees in lakh	406.93	1,243.28
Advance Received from Customers:		
USD in lakh	0.000	0.144
Equivalent amount in Rupees in lakh	0.03	10.56

(3) Sensitivity Analysis

The Company uses the sensitivity rate of 5% when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. In the opinion of the management, the sensitivity of increase or decrease of Rs. against the relevant foreign currencies is not material to the financial statement.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in ₹.

Notes of the Financial Statements

(Amount in ₹ lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings	2,948.05	4,467.63
Fixed rate borrowings	1,838.68	2,882.24
Total borrowings	4,786.73	7,349.87

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	Balance	% of total loans
As at March 31, 2022		
Bank overdrafts, bank loans, Cash Credit	2,948.05	61.59%
As at March 31, 2021		
Bank overdrafts, bank loans, Cash Credit	4,467.63	60.79%

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest rates – increase by 50 basis points (50 bps) *	(10.88)	(16.30)
Interest rates – decrease by 50 basis points (50 bps) *	10.88	16.30

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(c) Liquidity Risk

The Company has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilization requirement. This is monitored through a rolling forecast showing the expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

Maturities of financial liabilities

The table below analyses the Company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

(d) Contractual maturities of financial liabilities :-

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
As at March 31, 2022				
Borrowings	2,948.05	918.09	-	3,866.14
Interest accrued but not due on borrowings	15.80	-	-	45.09
Trade Payables	-	-	-	-
Others	-	-	-	-
Total non-derivative liabilities	2,963.85	918.09	-	3,911.23

Notes of the Financial Statements

(Amount in ₹ lakh)

As at March 31, 2021				
Borrowings	4,467.63	1,819.98	-	6,287.61
Interest accrued but not due on borrowings	29.29	-	-	29.29
Trade Payables	-	-	-	-
Others	-	-	-	-
Total non-derivative liabilities	4,496.92	1,819.98	-	6,316.90

Note 44: Reconciliation of liabilities arising from financing activities

Particulars	Opening balance as at April 1, 2021	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2022
As at March 31, 2022				
Non-current borrowings	1,819.98	(901.90)	-	918.08
Current borrowings	4,467.63	(1,519.58)	-	2,948.05
Total liabilities from financing activities	6,287.61	(2,421.48)	-	3,866.13

Particulars	Opening balance as at April 1, 2020	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2021
As at March 31, 2021				
Non-current borrowings	2,954.46	(1,134.48)	-	1,819.98
Current borrowings	6,052.76	(1,585.13)	-	4,467.63
Total liabilities from financing activities	9,007.22	(2,719.61)	-	6,287.61

Note 45: Capital management**(a) Risk management**

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents.

Particulars	As at March 31, 2022	As at March 31, 2021
Non current borrowings	918.09	1,819.98
Current maturities of non current borrowings	(920.59)	(1,062.25)
Current borrowings	2,948.05	4,467.63
Less: Cash and cash equivalents	2,668.82	11.79
Less: Bank balances other than cash and cash equivalents	1,510.49	7,209.38
Total Debts	(1,233.75)	(1,995.81)
Total Equity	40,532.99	35,146.75
Gearing Ratio	(0.03)	(0.06)

Equity includes all capital and reserves of the Company that are managed as capital.

Notes of the Financial Statements

(Amount in ₹ lakh)

Note 46: Dividends

Particulars	As at March 31, 2022	As at March 31, 2021
Interim dividend for the year ended March 31, 2022 of ₹ Nil (March 31, 2021 : ₹ Nil)	-	-
Final dividend for the year ended March 31, 2022 of ₹ Nil (March 31, 2021 : ₹ Nil)	-	-

The Board of Directors in their meeting on May 6, 2022 recommended a final dividend of ₹1 /-per equity share for the financial year ended March 31, 2022. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting (AGM) of the Company and if approved would result in a net cash outflow of approximately ₹393.28 lacs.

Note 47: Financial Ratios

Particulars	Methodology	As at March 31, 2022	As at March 31, 2021
1	Current Ratio Current Ratio = Current Assets/Current Liabilities % change from previous year Reason for change more than 25% - N.A.	2.25 7.63%	2.10
2	Debt-Equity Ratio Debt-Equity Ratio = Net Debt/Net Worth % change from previous year Reason for change more than 25% - Increase in Net Worth and Decrease in Debt has lead to improvement in Debt Equity Ratio	0.10 -46.68%	0.18
3	Debt Service Coverage Ratio Debt Service Coverage Ratio = EBITDA/Debt Service % change from previous year Reason for change more than 25% - N.A.	5.28 19.27%	4.43
4	Return on Equity Ratio Return on Equity Ratio = Profit after tax/Average Net worth*100 % change from previous year Reason for change more than 25% - N.A.	0.13 -2.71%	0.14
5	Inventory turnover ratio Inventory turnover ratio = Closing inventory/Net sales*365 % change from previous year Reason for change more than 25% - N.A.	61.28 11.20%	55.11
6	Trade receivables turnover ratio Trade receivables turnover ratio = Net sales/Average Trade receivable % change from previous year Reason for change more than 25% - Increase in Turnover lead by reduction in debtor collection days has lead to increase in Trade Receivable Turnover Ratio	11.77 38.73%	8.49

Notes of the Financial Statements

(Amount in ₹ lakh)

Note 47: Financial Ratios (Contd...)

Particulars Methodology	As at March 31, 2022	As at March 31, 2021
7 Trade Payables turnover ratio Trade Payables turnover ratio= Total Consumption /Trade Payable % change from previous year Reason for change more than 25% - Increase in Consumption and increase in cash purchase has lead to increase in Trade Payable Turnover Ratio	11.11 78.40%	6.23
8 Net capital turnover ratio Net capital turnover ratio= Net sales/Net working capital % change from previous year Reason for change more than 25% - Increase in Turnover without infusion of further capital has lead to increase in Net Capital Turnover Ratio	5.39 46.88%	3.67
9 Net Profit Ratio Net Profit Ratio= Profit after tax/Net sales*100 % change from previous year Reason for change more than 25% - Decrease in realisation has lead to decrease in Net Profit Ratio	6.35% -26.07%	8.58%
10 Return on capital employed Return on capital employed= EBITDA/Average capital employed*100 % change from previous year Reason for change more than 25% - N.A.	16.53% 2.39%	16.14%
11 Return on investment Return on investment= (Interest income, net gain on sale of investments and net fair value gain over average investments)/Average investment*100 Quoted % change from previous year Reason for change more than 25% - Decrease in market price of investment has lead to downfall in Return on Investment Unquoted % change from previous year Reason for change more than 25% - Fair Valuation of Investment as per IND AS due to increase in net worth of the company in which the investment is made has lead to increase in Return on Investment	11.66% -78.79% 165%	54.96% 0%

EBIT - Earnings before interest and taxes

PBIT - Profit before interest and taxes including other income.

EBITDA - Earnings before interest, taxes, depreciation and amortisation.

PAT - Profit after taxes.

Debt includes current and non-current lease liabilities

Net worth includes Shareholder capital and reserve and surplus

Net sales means revenue from operations

Capital employed refers to total shareholders' equity and debt.

Notes of the Financial Statements

(Amount in ₹ lakh)

Note 48: Additional Regulatory Information

- (a) The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- (b) There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (c) The Company has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting years.
- (d) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- (e) The Company do not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (f) All the quarterly statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.
- (g) The Company did not enter transactions in Cryptocurrency or Virtual currency during the year ended March 31, 2022 (March 31, 2021: NIL).
- (h) The company does not have any relationship with companies struck off (as defined by Companies Act, 2013) and did not enter into transactions with any such company for the years ended March 31,2022 and March 31, 2021.

Note 49: Previous year figures have been recasted, re-grouped and reclassified, wherever necessary to confirm to the current year classification.

For VAPS & Co.

Firm Reg. No. 003612N
Chartered Accountants
Sd/-
Praveen Kumar Jain
Partner
Membership No. 82515

Place : Noida
Date : May 6, 2022

For and On Behalf of the Board of
APOLLO PIPES LIMITED

Sd/-	Sd/-	Sd/-
Sameer Gupta	Sanjay Gupta	Sanjay Gupta
Director	Director	Director
DIN-00005209	DIN-00233188	DIN-00233188
Sd/-	Sd/-	Sd/-
Ajay Kumar Jain	Ankit Sharma	Ankit Sharma
Chief Financial Officer	Company Secretary	Company Secretary

NOTES

A series of horizontal dotted lines for writing notes, spanning the width of the page.

APOLLO PIPES LIMITED

(An ISO 9001-2015 Certified Company)

Corporate Office :A-140, Sector 136, Noida-201301, Uttar Pradesh
wecare@apollopipes.com, www.apollopipes.com | Toll Free No. 1800-121-3737

8130098024 | Follow us on: [f](#) | [t](#) | [y](#) | [i](#) | [in](#)

www.shoutconnect.com  91 98309 35937

