

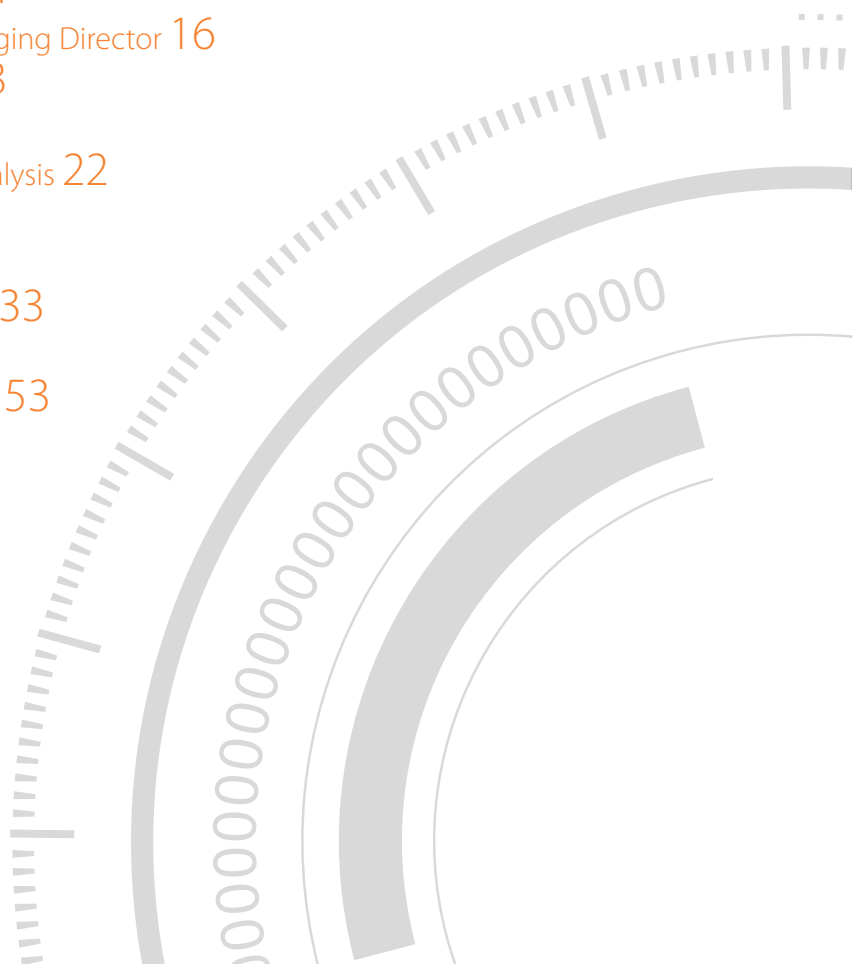


expanding
horiZONS



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At Apollo Pipes, the definition of 'Expanding Horizons' is ...

An ability to extend the market in
all regions.

An ability to think 'opportunity'
when others are obsessed with
'problems'.

An ability to devise lateral solutions
when others are persisting with
the linear.

An ability to increase choice
when others are consumed about
increasing customers.

An ability to think 'tomorrow' when
others are thinking 'today'.

An ability to generate extra-
ordinary results from ordinary
people.



Expanding our product basket

Business is a wallet share game. The more you have it. The faster you grow.

For our 'me-too' kind of business space, having everything under the same roof makes a huge difference. Because it provides convenience of ticking the check boxes in one go, ensures proper connections, enhances footfalls and increases wallet share.

So, if you have it all, you stand out of the clutter

At Apollo Pipes, we leveraged this reality to expand our product offering. Having developed the one of the widest range of pipes and fittings, we successfully delved into solvents and bathware products.

In FY21, we added a critical element to our product offering. We launched Apollo Life Water Storage Tank in five colors with capacity of 500 to 5,000 liters.

In less than 9 months of launch, our North India capacity for manufacturing tanks was completely full. To capitalise on the growing traction, we created capacity for manufacturing tanks at all our operating units (North, South and East) which commenced operation towards the close of the year.

With the launch of tanks, we have transitioned forward – from being just a plastic pipe manufacturing company to an enterprise that offers complete water management solutions.

Fittings, is an essential part of water management and flow. Owing to the growing demand for our products, we doubled our fittings capacity. We increased the number of moulds. We rejuvenated our product offering with a complete new range of fittings. Going forward, we expect this product line to emerge as an important business driver over the coming years.



Expanding our geographic presence

Business is about being in the right place, at the right time.

In our high-competition business, being able to fill the shelf space with speed is an essential catalyst for business success. Because empty shelves means an opportunity loss.

And, opportunities are never lost. Either you take it or somebody will.

At Apollo Pipes, we realised the need to build a Pan-India presence early on in our journey. Having established our manufacturing presence in North, West and South over the last few years, we decided to cover the last base... East India.

We invested in a greenfield project at Raipur for manufacturing pipes (uPVC) and water storage tanks. Our internally funded ₹ 15 crore project is scheduled to come on stream in the first half of FY22 and will cater to East and Central India – large markets for our products.

This investment enables us to stand out as the only water management solution provider with a Pan-India presence; and empowers us to service our expansive and entrenched dealer network with speed.



We have undertaken brownfield expansion projects at our key facilities – Dadri, Sikandrabad and Tumkur (near Bangalore), to cater to the growing opportunities coming our way. Healthy growth is the natural corollary.

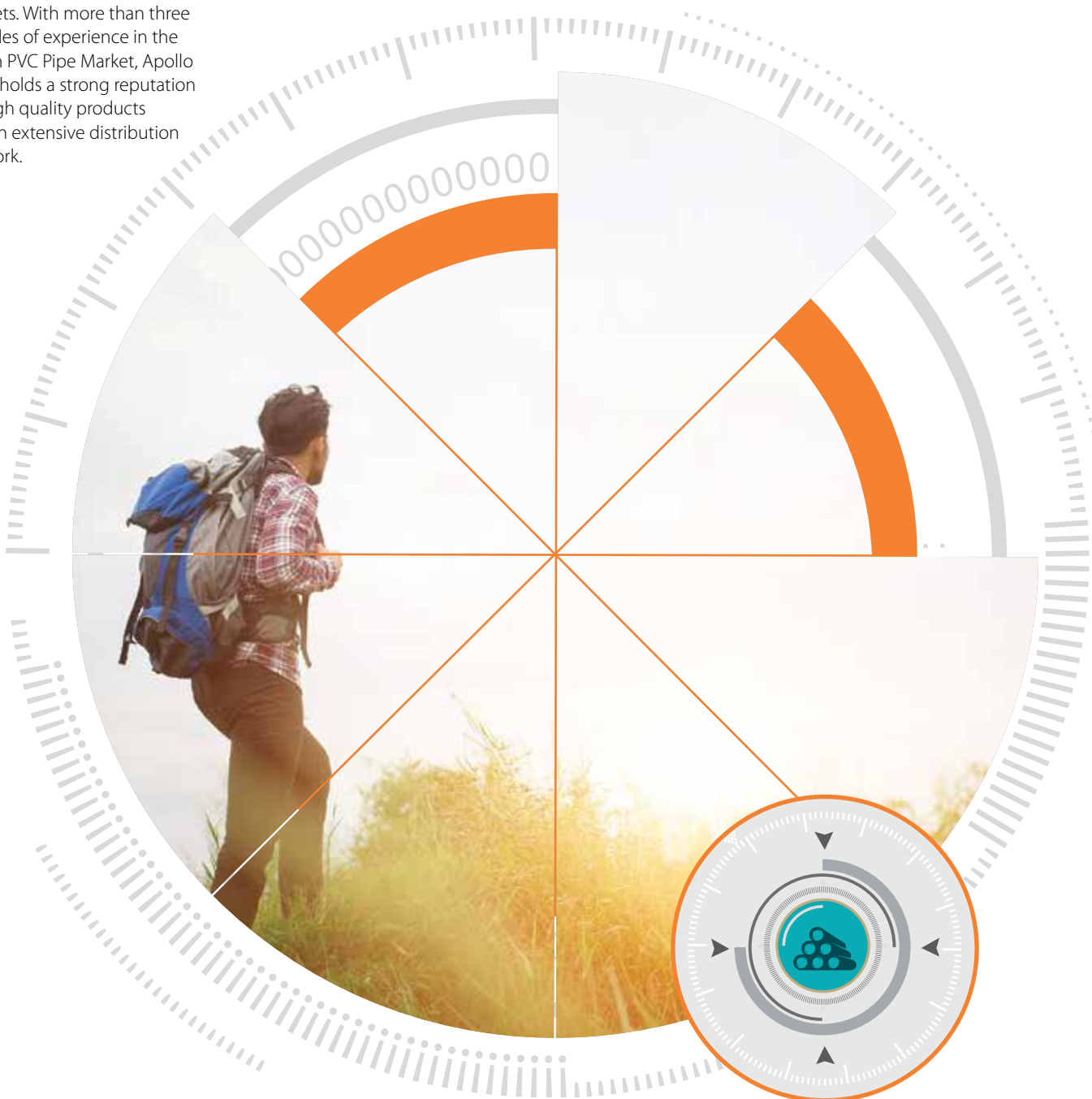




About the Company

Apollo Pipes: Expanding horizons

Apollo Pipes is among the top 10 leading piping solution providing Company in India. Headquartered at Delhi, the Company enjoys strong brand equity in the domestic markets. With more than three decades of experience in the Indian PVC Pipe Market, Apollo Pipes holds a strong reputation for high quality products and an extensive distribution network.



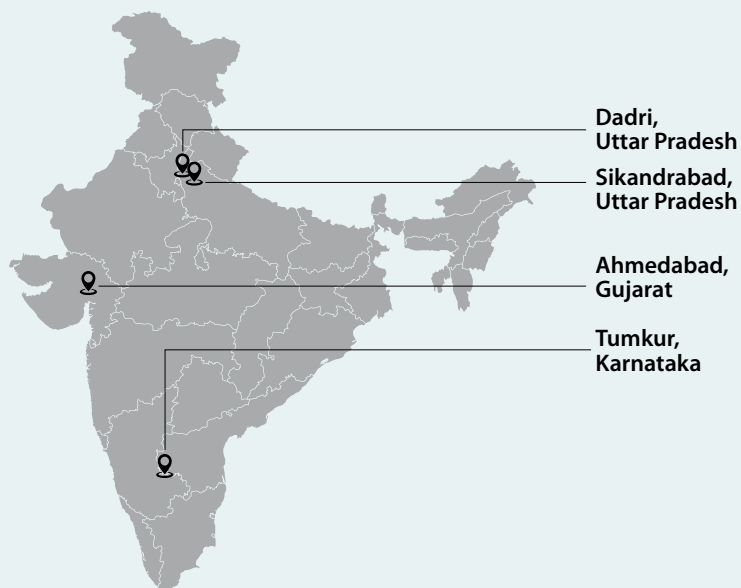
Manufacturing infrastructure

4

Manufacturing facilities

118,000

Installed capacity (TPA)



Product basket

cPVC, uPVC, and HDPE pipes

Water storage tanks

PVC taps, fittings and solvents

Distribution network

600+ Channel Partners

518

Revenue (₹ crore)

74

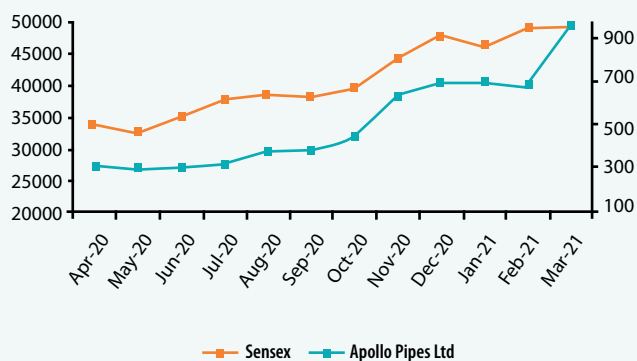
Net EBITDA (₹ crore)

44

Net Profit (₹ crore)

288

Growth in Market Capitalisation in 12 months (%)



SUCCESS MILESTONE

2000

- Commercial PVC pipe manufacturing operations
- Established 3600 MTPA in Sikanderabad, U.P.

2005-10

- Started manufacturing HDPE pipes
- Setup new plant at Dadri-UP of capacity 21000 MTPA
- 1st company to start manufacturing of patented uPVC column pipes in North India.

2013-15

- Started manufacturing uPVC Plumbing Pipes fittings with 180 MTPA capacity
- Comenced CPVC Pipes & fittings using Kemone, France resin
- Started manufacturing uPVC agri and SWR fittings.

2016

- First in North India to install 900kg/ hr PVC extension line
- Expanded capacity by 10,000 MTPA
- Took total available capacity to 50,000 MTPA

2019

- Concluded promoter infusion of ₹ 142 crore through issuance of Equity Shares and fully convertible warrants on preferential basis

2018

- Purchased a land with building in Noida to develop Apollo Pipes Corporate office
- Introduced a brand new products range of faucets, taps, showers and accessories

2017

- Largest plastic piping solution company
- Installed capacity of moulding division enhanced to 2,7000 MTPA

2020-21

- Concluded the strategic acquisition of Kisan Mouldings' manufacturing unit in Bengaluru
- Successful listing of Company's shares on NSE
- Started manufacturing Water tank, Solvent & bath fittings



Robust 5-Year CAGR
(FY17- FY21)

13%

Growth in Sales Volume

25%

Growth in EBITDA

30%

Growth in PAT

PRODUCT PORTFOLIO

Diversified Baskets of 1,500+ products

Plumbing ■

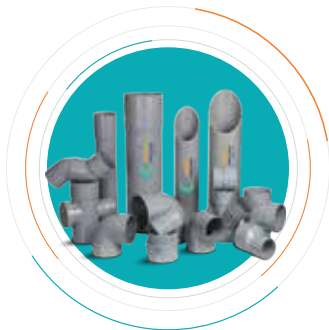


UPVC Pipes & Fittings



CPVC Column Pipes

Agriculture ■



UPVC Pressure Pipes



HDPE Pipes & Coils



HDPE Sprinkler System

Sewerage ■



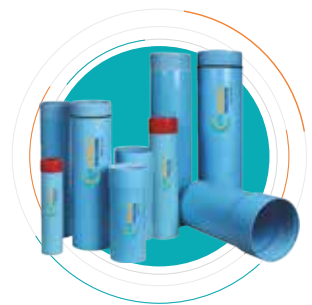
SWR Drainage
CPVC Pipes



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 ■



Kichen Sink

Statement from the
Chairman's desk



"Having crossed an uncertain and challenging FY21 with a stellar performance, I am particularly excited about sustaining the momentum."

*Mr. Sanjay Gupta, Chairman
throws light on what lies ahead*

Dear friends,

I trust you all are safe. Safety, for mankind, has assumed a completely new meaning in the wake of the more aggressive and fatal second wave of the pandemic. Having survived this wave we must respect our existence. We must adhere to Covid-appropriate behaviour for ourselves, our relatives, friends and communities. We must pledge to stop the probability of any other waves in future. In doing so, we will ensure that India and Indians become firm-footed on the journey to economic resurgence.

While talking about

resurgence, I take great pride in stating that Apollo Pipes is firmly placed on its journey to emerge as a dominant player in its business space. This transpired in FY21 where we utilised the prevailing uncertain period to ensure the certainty of our growth. The low-hanging fruits have already delivered heartening results. Our operating margin continue to scale, our return on capital employed, a critical measure keen observed by opinion influences to determine the utilisation of money deployed in business, moved up by 127 bps over the previous year. In a seemingly

bad year, we bettered our performance.

For me, FY21 is an inflection point in the Company's journey. We used the prevailing headwinds to strengthen the tailwinds under our wings. We channelised our efforts in multiple areas with considerable success which promises to catapult Apollo Pipes into a new orbit in the future. Am proud of the combined efforts of the entire team in creating this platform which promises a big leap in our performance.

1) We enhanced capacities at all our units through brownfield expansions. This augmented our capability to increase volumes of existing products as well as add new products in that Plant. For example, we added the water tank manufacturing capability at Tumkur and Sikandrabad. We have doubled our fittings capacity at Dadri. These investments will increase volumes and widen our market base from our diverse product categories.

2) In line with our long-term strategy of widening our product offering, we launched water tanks in North India. The product received an overwhelming response from the markets. To the extent that we needed to create capacities for water tanks in our other manufacturing units. By the end of the fiscal, we

were marketing this product Pan-India. In addition, we significantly widened our product range in fittings and bathroom products, primarily faucets.

This product widening is an important part of our long-term strategy to shift our dependence from the agri-sector to the building product segment which provides better margins. In FY21 the shift has happened. It will only intensify further over the coming years which will enhance business profitability.

Going forward

FY22 started with a bang. A resilient India flattened the second wave in a shorter time period, albeit with considerable losses. But the economy, with the help of the Central and State Governments, the RBI and financial institutions, is working its way up to register a high single digit growth. The rural markets which were considerably impacted by the second wave are also toiling hard to resurface out of the abyss. India is making an all-out effort to come back to winning ways.

For Apollo Pipes, we have created our growth levers and will now focus our energies on maximising returns therefrom. Our Raipur unit is expected to commence operations in the current year which should

Focus areas for FY22



Strengthen foothold in existing markets of North and Western India



Penetrate and establish footprint into neighboring markets in Central and Eastern India



Improve utilisation at the existing manufacturing plants at Dadri and Ahmedabad



Increase focus on the building segment.



Undertake various brand building exercises and establish stronger brand recall



46 bps
Improvement in EBITDA margin in FY21

help us entrench our presence in East and Central India. Our tanks business should continue to grow rapidly. Our fittings should deliver improved growth. In all I expect the revenue contribution from non-pipe verticals to increase substantially... a trend which will continue over the medium term.

Having crossed an uncertain and challenging FY21 with a stellar performance, I am particularly excited about sustaining the momentum.

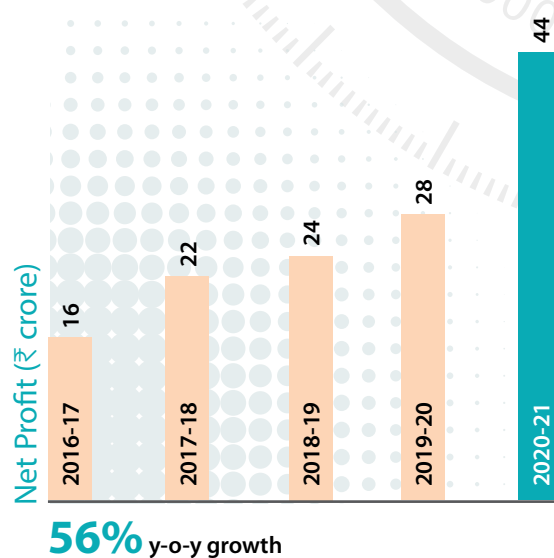
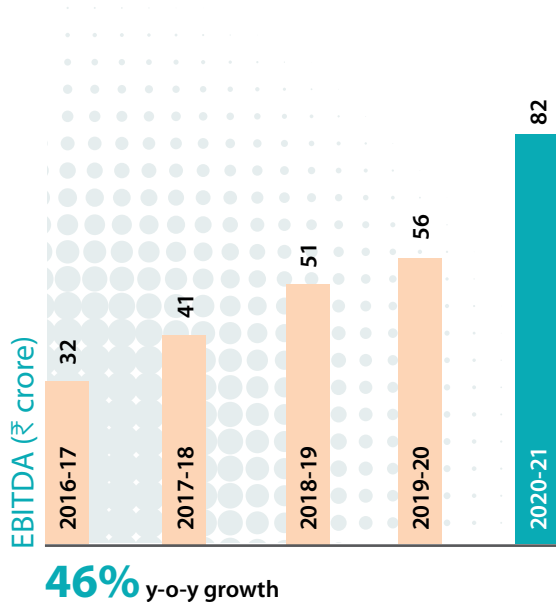
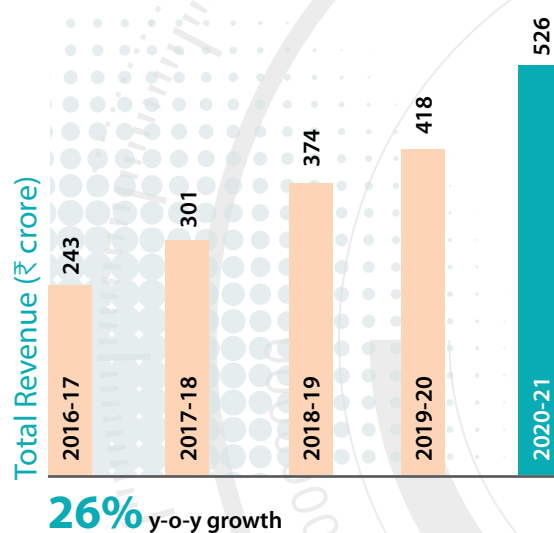
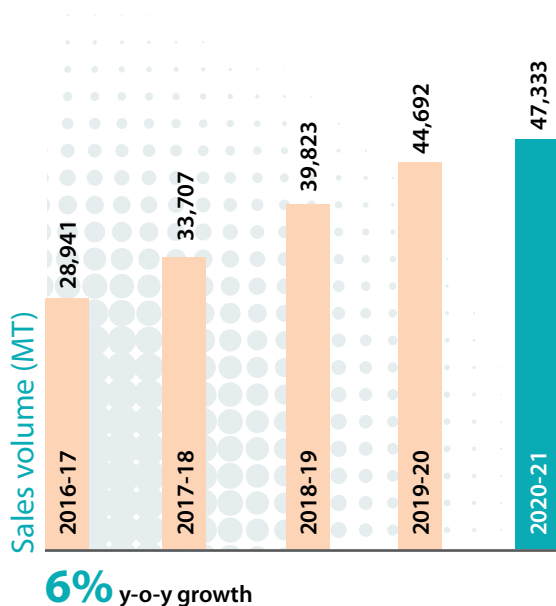
I would like to express my sincere gratitude to my fellow Directors for their commitment to the Company's growth aspirations. My deep appreciation to all our loyal and valuable shareholders for their continued confidence and support. My thanks to our other stakeholders, who continue to be our partners in growth. Lastly, my sincere gratitude to the management team and staff for their valuable and ongoing dedication in drawing and executing the Company's strategies with disciplined dedication.

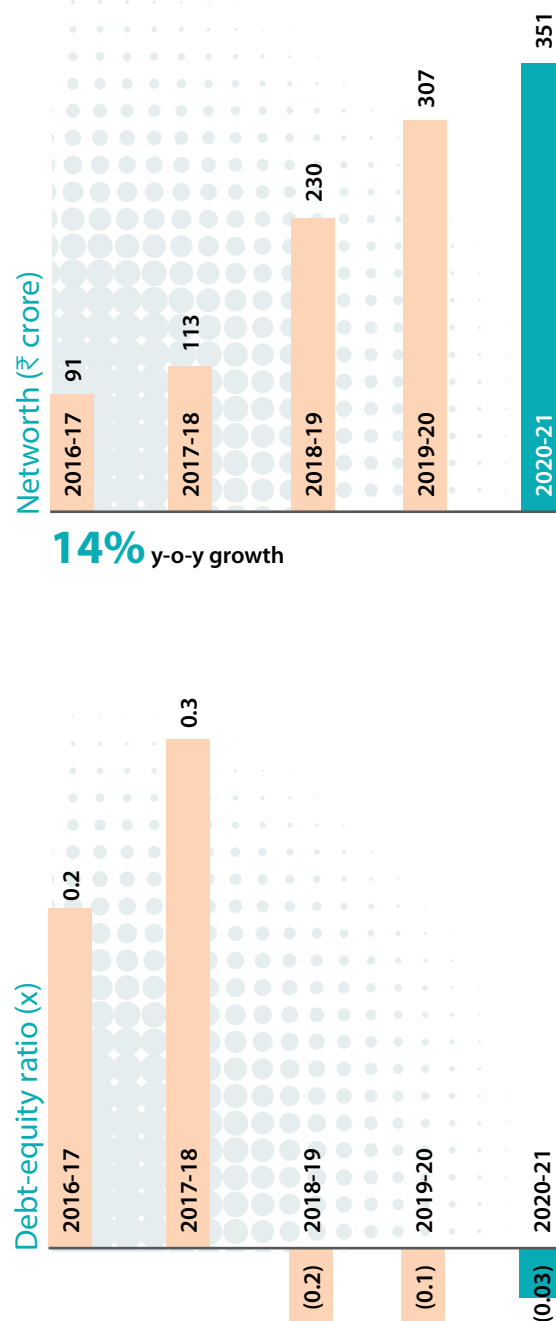
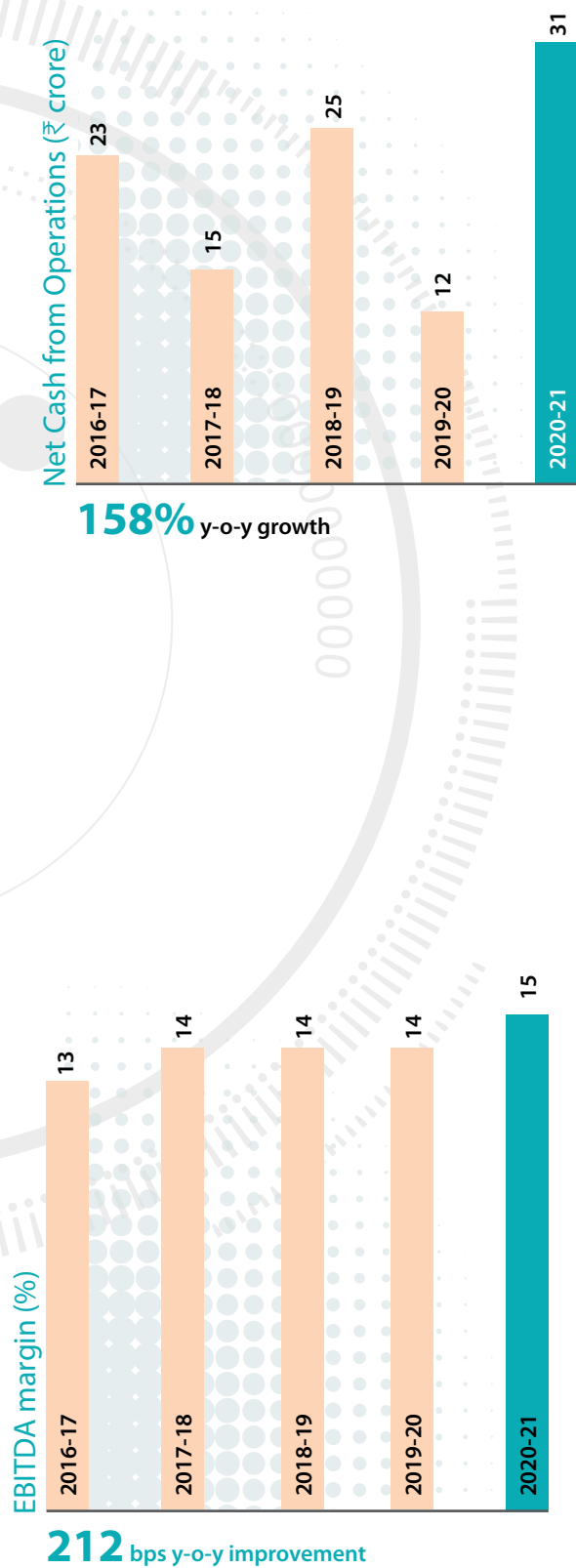
I seek your continued support as we gain momentum over the coming years.

Warm regards

Sanjay Gupta
Non-Executive Chairman

Expanding our performance – a notch higher







A 15- minute conversation
with the Managing Director

Having made considerable investments, our focus going forward, would be to maximise returns.

Mr. Sameer Gupta, Managing Director discusses about the Company's performance and prospects

How would you rate the Company's performance in FY21?

It was a very satisfying year. In the face of uncertainty and challenges, the Company reported a robust topline and bottom line growth. While the first quarter was dismal, demand picked up at a healthy uptick in subsequent quarters. If I have to summarise the year in a sentence ... it was a year which started with a blip and ended with bang.

What, according to you, is that one big achievement in FY21?

Our water tank launch was the most satisfying highlight for FY21. The response was way better than we expected. In only 9 months of the product launch, we were running our equipment at full capacity. By the end of the year, we created water tank manufacturing capabilities at all manufacturing sites. The traction, I am confident, will continue well into the current year and beyond.

In a year when most companies across India were cutting expenses, you were investing in brownfield expansions. Could you explain this contrarian approach?

We cater to that section of the masses which were relatively lesser impacted by

the pandemic. They were flush with funds owing to a good harvest and government stimulus. As a result, demand from the rural markets remained robust. On the supply side, interestingly, local players were slow to restart their operations after the lockdown. This gave us a head start. We capitalised well. Now, with capacities running at optimum utilisation level, it became imperative to augment capacities.

You introduced water storage tanks. Can you talk us through that?

Water storage tanks emerged as an absolute winner. This product launch is in line

with our long term growth strategy to improve our product offerings. In less than 9 months of launch, our capacity was full. During the year, we added more equipment at all our facilities to cater to the growing demand. With water storage becoming increasingly critical, owing to the increasing water shortage, we expect this product to emerge as an important growth driver over the coming years.

How did your Bangalore unit perform?

South India is a large market for our products. This prompted us to acquire the Tumkur unit in FY20.

We reinforced our strategic decision by increasing our sales team in five South Indian States namely Andhra Pradesh, Telengana, Tamilnadu, Karnataka and Kerala and one in West India i.e. Maharashtra to create visibility and strengthen our presence. The combination of these two initiatives yielded good results. Our Tumkur unit operated at optimum utilisation. We successfully implemented a brownfield expansion to add water tank manufacturing capability at the unit which should contribute to our topline growth in the current year.

What are the other growth levers for FY22?

Our Raipur unit will be the most critical growth driver for the Company. Our greenfield investment which is expected to commence operations in FY22 will help us to establish a strong presence in the East and Central India markets where our presence till now was marginal. This unit will manufacture pipes and water tanks. The capex of ₹ 15 crore for this project has been funded internally through our cash flows. We believe the payback period for this project is expected to be within three years, it could be earlier too.

Fittings, I expect, will also make a healthy contribution to our growth aspiration. We are

planning a large expansion at our Dadri unit where we are almost doubling our fittings capacity. We are significantly widening our fittings range by including niche products which should be on dealer shelves in FY22.

From whatever you have said, it seems that there appears a slight shift in the user segment focus. Is that accurate?

From an irrigation sector presence traditionally, we have sharpened our focus to cater to the high profitable building segment. So what was a 60:40 share till a couple of years ago between the irrigation and building segments has now become a 50:50 share. Going forward, I expect the scale to tilt in favour of the building segment.

How do you plan to market the additional volumes of all your products?

It is a two pronged strategy.

One, we are growing our dealer network primarily in East and Central India to channelise our products from the Raipur facility to the end customer. We will further strengthen our presence in the South Indian markets that has delivered healthy volumes in FY21.

Two, we will focus on brand building activities. We are

tying with some celebrities with our brand apart from Mr. Amitabh Bachchan (for the APL Apollo Group) for the plastic pipes only. We plan to invest about 2-3% of the revenue in branding activities.

What is your message to shareholders?

There is considerable activity within Apollo Pipes. The energy and enthusiasm is palpable. Having made considerable investments, our focus going forward, would be to maximise returns. Barring unforeseen circumstances, we should be able to report healthy business growth accompanied with improved profitability over the medium term.



We increased our capacity from
84,000 TPA
to
1,18,000 TPA.



Our upward move

Q1/FY21

10,633

Sales volume (tonnes)

24 %

Growth over Q1/FY20

92.5

Revenue (₹ crore)

21 %

Growth over Q1/FY20

8.33

EBITDA (₹ crore)

53 %

Growth over Q1/FY20

2.0

PAT (₹ crore)

80 %

Growth over Q1/FY20

Q2/FY21

12,268

Sales volume (tonnes)

19%

Growth over Q2/FY20

123.3

Revenue (₹ crore)

28 %

Growth over Q2/FY20

17.5

EBITDA (₹ crore)

43 %

Growth over Q2/FY20

9.5

PAT (₹ crore)

64%

Growth over Q2/FY20



Q3/FY21

11,445

Sales volume (tonnes)

7 %

Growth over Q3/FY20

128.1

Revenue (₹ crore)

28 %

Growth over Q3/FY20

27.3

EBITDA (₹ crore)

102%

Growth over Q3/FY20

16.3

PAT (₹ crore)

145%

Growth over Q3/FY20

Q4/FY21

12,987

Sales volume (tonnes)

34 %

Growth over Q4/FY20

174.2

Revenue (₹ crore)

85%

Growth over Q4/FY20

29.5

EBITDA (₹ crore)

125%

Growth over Q4/FY20

16.6

PAT (₹ crore)

169%

Growth over Q4/FY20

Our key sectors: their prospects

1) 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

The Government of India 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

2) 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-organised plans for sewage removal and efficient transport facilities

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





3) 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

Management Discussion & Analysis

An overview of the economy

Global economy: The global economy contracted by 3.3% in CY 2020, as all major economies barring China slipped into recession with COVID-19 induced lockdowns. Advanced Economies' (AE) decline of 4.7% was steeper than Emerging Markets (EM) decline of 2.2%. Within the AE complex, the decline in Euro Area of -6.6% was much sharper than that in the US of -3.5%. However within the EMs, China's GDP grew 2.3%.

Despite the steep global decline in CY 2020, the impact of decline on global GDP was lower than initially feared primarily due to unprecedented monetary policy support from global central banks and fiscal stimulus from Governments.

Global fiscal stimulus reached ~US\$18.6 trillion by March 2021 (23% of GDP) while monetary stimulus by global central banks reached US\$16.6 trillion (21% of GDP). Global trade volume (goods and services) contracted by 9.6%

in CY 2020 after a modest 1% increase in CY 2019.

The global economy is expected to witness a rebound in 2021 with the International Monetary Fund (IMF) expecting 6% growth. The growth recovery is likely to be led by the US and China. Governments and Central Banks are expected to maintain supportive policies until the recovery is firmly underway.

These estimates depend on future course of the health crisis, the effectiveness of policy actions to limit continuing economic damage, commodity prices, and the adjustment capacity of key economies.

(Source: IMF)

Indian economy: Aligned to the decline in global GDP, India's economic progress was expected to contract. But the decline was lesser than the initial estimates owing to a smart V-shaped recovery as most consumption and industrial indicators were back in positive growth zone in the Q3FY21.

After a contraction in GDP for the first half of FY21 (a negative growth of 24.4% in Q1 and 7.3% in Q2), India recovered to post a positive GDP growth in Q3 at 0.4%, one of the few nations globally to emerge out of recession in such a short time period. As resurgence gained momentum, India's GDP growth for Q4 of 2020-21 stood at 1.6%.

The Reserve Bank of India (RBI), and the central and state governments provided critical support to the economy during the crisis. The RBI maintained loose monetary policy, cutting repo rates by 115 bps during early CY 2020. To keep funding markets easy, the RBI maintained liquidity surplus through various monetary measures.

The external sector exhibited resilience as current account turned surplus for the first time since 2004, on weaker domestic demand, falling oil prices and strength in India's services exports. FDI and equity FII flows were strong, driving India's forex reserves to an all-time high of ~US\$580 billion at the end of FY 2020-21, against ~US\$475 billion at

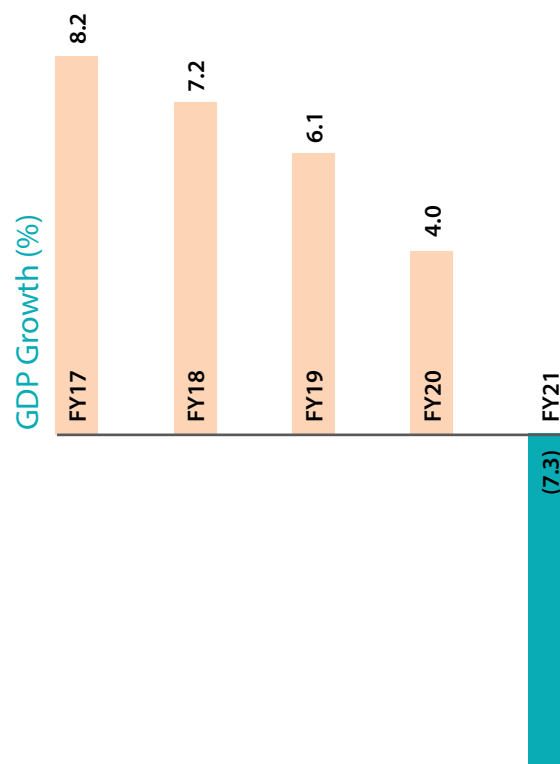
the end of FY 2019-20.

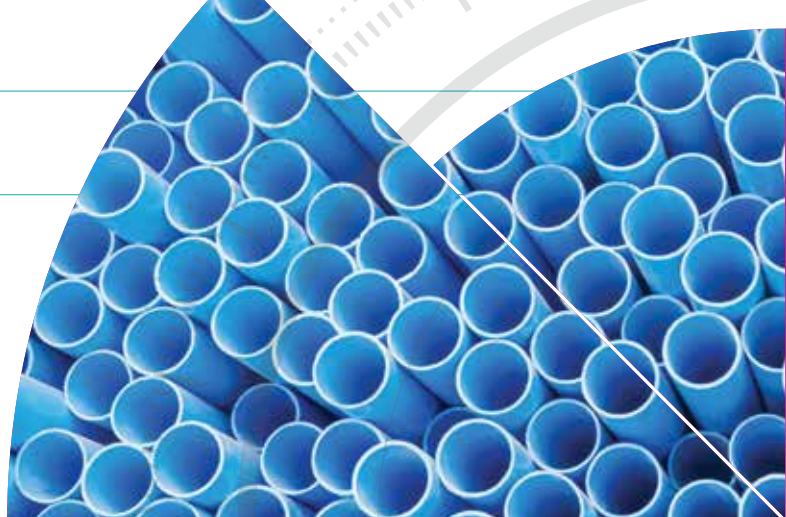
In keeping with the uptick in economic activity, GST collection was above the ₹ 1 lakh crore mark in the second half of FY21, peaking at ₹ 1.23 lakh crore in March 2021.

The agriculture sector, which largely supports the rural economy, remained robust – it registered a growth of 3.0% in FY21 (lower than 4.3% growth recorded in FY20).

In view of the economic momentum in Q4 FY21, leading opinion makers had estimated a sharp growth in India GDP for FY22. But the outbreak of the second wave of Covid-19 in India, these estimates have been revised downwards.

Amidst the second wave, the Reserve Bank of India (RBI) announced a Covid package of ₹ 50,000 crore for vaccine makers, medical equipment suppliers and hospitals. The package also included giving funds to Covid positive patients to meet their medical expenses. This package also allowed individual and small borrowers to restructure their loans for up to two years.





The PVC pipes sector

PVC pipes are pipes that are produced by extrusion of raw material from polyvinyl chloride and are known for their high tensile strength, ductility, endurance toward extreme temperature conditions, and resistance over corrosion. PVC pipes are lightweight and possess a smooth surface that allows faster flow of water and generates comparatively less friction than pipes made from cast iron or concrete.

They are generally used for the production of sewage pipes and drainage solutions, water mains and irrigation, transportation of drinking water, and manufacture of advanced fire-sprinkler systems.

PVC includes both UPVC (unplasticized polyvinyl chloride) and CPVC (chlorinated polyvinyl chloride) pipes and fittings which have major demand in the market.

The India pipes and fittings market is fragmented with a large number of players competing in the market.

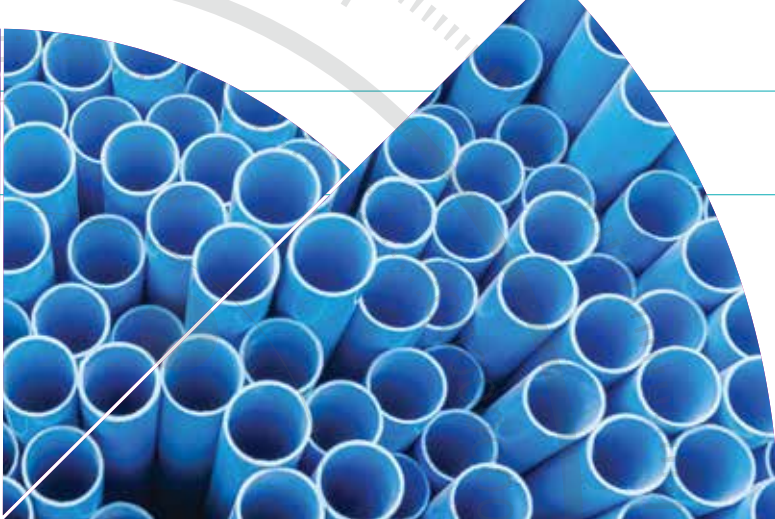
The upsurge in demand for pipes in the irrigation sector and building & construction industry are the major driving factor for Indian PVC pipes market. Moreover, increased focus of the government on rural water management supports the demand for PVC pipes and fittings in India.

Opportunities & prospects:
The Centre is all set to launch a new flagship programme – Jal Jeevan Mission (Urban) – to provide piped water supply and tap connections to all households in cities with less than 100,000 population over the next five years. It aims to provide uniform water supply in all 4,378 urban local bodies with 2.86 crore household tap

connections, as well as liquid waste management in 500 AMRUT cities.

Along with the rural segment of Jal Jeevan Mission, this would mean covering all towns and villages, classified as Class II to Class VI towns with population of 5,000 to 100,000 people through piped water supply.

Jal Jeevan Mission (Urban) would be considered an extension of AMRUT. It would work on a Centre-state partnership model with the states sending their annual action plans with specific project proposals and the Centre providing financial support.



The Company has the largest manufacturing unit at a single location under one roof in North India.

Operational performance:

FY21 was one of uncertain operations as pandemic and the lockdown halted operations for close to a month. The subsequent drop in demand impacted the Company's operations initially. But it recovered smartly in the second half of the year as commercial activity picked up and demand resurfaced. Sales in the second half of the fiscal stood at 24,432 MT – 6.68% higher than the production in the first half of FY21.

During FY21, the Company reinforced its growth prospects. It successfully completed its brownfield manufacturing extensions across facilities located at Dadri, Tumkur, and Sikanderabad.

About the Company

Apollo Pipes is a key player in the piping solution and water management sector with a strong brand recall in the domestic and international markets of its presence.

Headquartered in Delhi, India, the Company has plants located at Dadri and Sikanderabad in Uttar Pradesh, at Ahmedabad in Gujarat and Tumkur in Karnataka that manufacture cPVC, PVC, and HDPE pipes & fittings, Solvents and Water storage tanks - one of the widest product basket which caters to multiple applications.

Even as volumes increased, the Company continued to strengthen its focus on product quality and process efficiency.

During the year, the Company implemented numerous projects to enhance its manufacturing capabilities.

1) Automation solutions

- Shifted CPVC & Plumbing from offline to online packaging
- Introduced semi-automation solutions in tap assembly which enhanced productivity considerably
- Introduced online threading of pipe and socket assembly for fitting accuracy
- Introduced barcoding at the moulding section for product traceability

2) Quality improvements

- Introduced ink Jet printing technology for cPVC pipes
- Increased the frequency of testing of pipes and of belling, threading and filter checking.

- Altered the lining process of pipes for superior lining.
- Introduced new formats and checking points for strengthening the quality commitment.

3) Continuous efforts

- The team institutionalised the concept of analysing daily cost sheets (SAP based) across functions and plants for identifying leakages and taking immediate corrective action.
- Energy management and conservation remained a high priority for the operations team. The team implemented multiple initiatives to further optimise its energy consumption.
- The team focused on waste reduction and reuse. For this, processes were set up to ensure that rejections were reduced and reused immediately to optimise consumption of virgin material without impacting product's overall quality.

Financial performance:

In a year that was particularly uncertain, the Company certainly reported a stellar performance on a wholistic basis.

Despite an operational shutdown extending about a month, and tepid sales for a few weeks thereafter, the Company reported a 27% increase in Revenue from Operations from ₹ 408 crore in FY20 to ₹ 518 crore in FY21. This jump was contributed by growing sales volumes increase in realisation - Price and a larger proportion of value-added products.

The Company reported improved profits and profitability despite the rising cost of raw materials during the period under review, namely PVC – its critical raw material. EBITDA increased from ₹ 56.49 crore in FY20 to ₹ 82.66 crore in FY21 while EBITDA margin improved by 211 bps over the previous year.

A decline in interest liability for the year, contributed in growing the Company's Net Profit – it stood at ₹ 4.4 crore in FY21 against ₹ 6.1 crore in FY20.

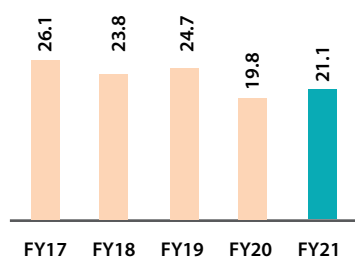
Networth increased from ₹ 306.52 crore as on March 31, 2020 to ₹ 351.47 crore as on March 31, 2021 owing to an increase in ploughing of business surplus.

The Company invested ₹ 61.8 crore in enhancing its manufacturing capabilities (brownfield expansions) which contributed to the increase in Fixed Assets from ₹ 184.60 crore as on March 31, 2020 to ₹ 228.69 crore as on March 31, 2021. The investment in its Raipur facility in FY21 – ₹ 7.09 crore – will be capitalised in FY22 when the unit commences operations.

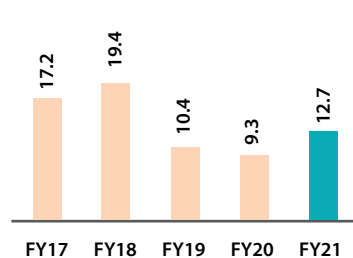
During the year, the Company repaid ₹ 27.20 crore debt which reduced the Gross debt from ₹ 90.07 crore as on March 31, 2020 to ₹ 62.87 crore as on March 31, 2021. The Company successfully maintained its working capital cycle from an average of 58 days in FY20 to about 58 days in FY21.

In an otherwise parched business ecosystem, the Company successfully improved business liquidity – Net Cash flow from Operations improved from ₹ 12 crore in FY20 to ₹ 39 crore in FY21

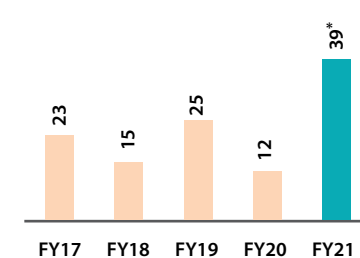
ROCE (%)



ROE (%)

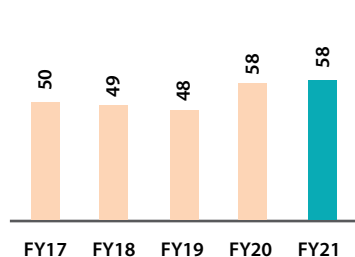


Net Op. Cashflow (₹ crore)

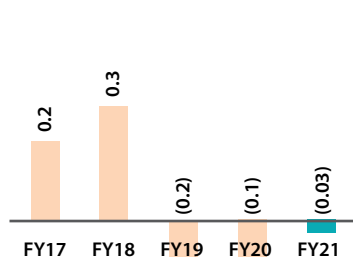


*Excluding Advance for Capital Expenditure included in Op. Cash Flow

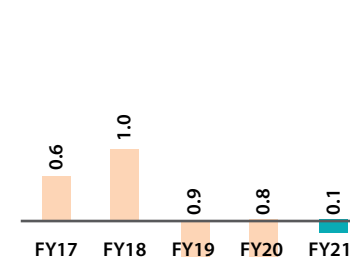
Net Working Capital (Days)



Net Debt/Equity Ratio(X)



Net Debt/EBITDA(X)





Human resource

Apollo Pipes recognises that its team is the cornerstone to its success. It is the people who ensure that business strategies get transformed into business performance.

To take care of its people, the Company has created an 11-member HR team for grooming and guiding its 500+ strong workforce.

The team has the onus of keeping the most treasured capital of the Company engaged, motivated and focused on its strategic objectives.

FY21 tested the ability of the HR team in crisis management.

And they did a commendable job in managing the health crisis that engulfed the nation.

The Company stood behind its human asset during this tough time and shall always continue its unconditional support towards the employee. Following are the key HR initiatives during this Covid-19 period to keep them motivated and engaged:-

Welfare

Special Leaves with wages were given to Covid-affected employees. This benefit was extended further in case any family member of the employee also got affected. These special leaves are over and above the work from home policy during the lockdown period.

Total Employee Engagement

- Initiated proactive communication with employees on Covid-related protocols to create awareness which would help them to remain safe

- Emphasized on Kaizen Culture by implementing Reward and Recognition scheme for Shop Floor workers/supervisors across all the plants.
- Drove the Operational Excellence initiative across the organisation by launching total productive management, a journey towards Excellence, OEE and Lean Manufacturing.

Reward and Recognition

- Implemented the annual appraisal process for FY20 in December 2020 and disbursed the amounts to the team

Launched the Employee Stock Option Scheme, issued grant letters to all the employees who were covered under the ESOP scheme.



Information Technology

Digital transformation helps an organisation to keep up with emerging customer demands and therefore survive in the face of the future. It allows companies to compete better in an economic environment that is constantly changing in response to technology evolutions.

The post-pandemic situation we live in is moving towards a digital fever mentality. Companies who will succeed will be those that create smart experiences and customer journeys that facilitate and/or complement people's lives.

To emerge as one among that group, Apollo Pipes is working passionately on its digital transformation journey which is platformed on five pillars

- From Decentralised System to integrated System
- Four Core Capabilities of Informationisation
 1. IT
 2. Data
 3. Process
 4. Change Project

- From Passive Response to Collaborative Construction

- from a vicious IT circle to a virtuous IT circle

- From Outsourcing Implementation to Outsourcing & Self-Research Balance

During FY21, the IT team invested ₹ 60 lakh in important business-relevant solutions to streamline business processes for which the Company:

- Rolled out all the required business processes to the new operating facilities at Raipur & Pune —Procurement to pay, Order to Cash, STO, Quality
- Process Integration (E-Waybill, E-Invoice, GST, TCS, ODN) to minimize process cycle time and enhance data accuracy with minimum human intervention.

- Strengthened the IT connectivity between multiple locations (including Shifted network to optical fibre and servers relocation to the Company's new datacenter) for virtual monitoring and seamless connectivity for smooth business operations.

- Rolled out the Channel Management System (CMS-Customer) on all platform like (Web, iOS & Android) with multiple role like (Sales Employee, Marketing Employee, Customers) – this solution provides information visibility between company, employee & customers on real time.

Going forward, the IT team has planned to implement important project which are expected to Go-Live in FY22. They include

- Adding new features to the Channel Management System (CMS) making it more interactive..
- Adding new modules to the SAP solution for better monitoring of operations.
- Undertake HRMS-comprising PMS, Training, Employee Claim & Expense management modules
- Enhancing IT Data security –
- Data leakage prevention
- Burn Record Protection
- Unite AD Domain Management
- Security Log management

Industrial Control Systems Security



Internal control and its adequacy

In an increasingly dynamic and competitive business landscape, a robust internal control mechanism is an essential business imperative. It is critical in ensuring that the organisation functions in an ethical manner, complies with all legal and regulatory requirements, and meets the generally accepted principles of good corporate governance.

The Company's internal control mechanism aims to safeguard its assets as well as authorise record and report all transactions correctly and on time.

These control processes facilitate in safeguarding the organisation's assets, preventing and detecting frauds and errors, ensuring accurate and complete accounting and timely preparation of reliable financial information. The control mechanism

ensures that the manual and automated processes for transaction approval and recording are adequately and effectively reviewed. It ensures compliance with various policies, practices and statutes in keeping with the organisation's growth and business complexity.

The internal control framework constantly 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. The senior management team has constituted a body of internal auditors who perform periodic audits. The internal auditors independently evaluate the adequacy of internal controls and simultaneously audit the transactions. Independence of the audit and compliance is ensured by direct reporting of internal auditors to the Audit Committee of the Board.

Risk management

Apollo Pipes is cognizant of the reality that risks, along with their mitigation, are critical for business sustainability in an ever-changing business ecosystem in which it operates. Risk management is focused on making the business model stronger and ensuring that profitable business growth becomes sustainable.

The Company has adopted a comprehensive and integrated risk appraisal, mitigation and management process. It encompasses strategy and operations, and seeks to identify proactively, address, and mitigate the existing and the emerging risks. The multi-layered risk management framework involves all key managers of the Company to actively engage in the process.

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. 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)

Chief Financial Officer

Mr. Ajay Kumar Jain

Company Secretary

Mr. Ankit Sharma

Registered Office

37, Hargobind Enclave, Vikas Marg,
Delhi – 110092

Corporate Office

Plot No. A-140, Sector-136, Noida –
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
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 – 122002, Haryana

Works

Unit-I

Khasra No. 2928 JHA, 2907 to 2916 and
2930 to 2938, Dhoom Manikpur, Dadri,
GT Road, Dadri, Uttar Pradesh – 203207

Unit-II

Plot No. D-20, E-4 & E-6, Industrial Area,
Sikanderabad, Bulandshahar,
Uttar Pradesh - 203205

Unit-III

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

Unit-IV

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

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	1st April 2020 to 31st March 2021
7	Sector(s) that the Company is engaged in (Industry activity code wise)	Manufacturer 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	Four
	(a) Number of international locations	None
	(b) Number of national locations	In India, Apollo Pipes Limited has four main operational manufacturing locations, two at U.P., one at Ahmedabad and one at Bengaluru
10	Markets served by the Company – Local/State/National/International	Local, State, National and International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up capital	₹13.11 Crore
2	Total turnover	₹ 518.07 Crore
3	Total profit after taxes	₹ 44.47 Crore
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 1.28 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 4 above has been incurred:-	The major activities in which the CSR Expenditure has been incurred by the Company include: <ul style="list-style-type: none"> • Education • Availability of Safe Drinking Water

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)	N/A
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/Director 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? Is 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.								
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?	Yes, BR Report
	What is the hyperlink for viewing this report?	www.apollopipes.com
	How frequently it is published?	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 2020-21.

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 & fittings 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 has always been committed to providing skill development and employment to local businesses in rural areas and recruitment of rural youth for local sales operations. A major portion of the procured goods and services are decentralized to local offices in the various States.
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.	542
2	Please indicate the total number of employees hired on temporary/contractual/casual basis.	615
3	Please indicate the Number of permanent women employees.	10
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 is 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 contractual 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
5	Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.	Yes, The Company has signed an agreement to purchase 4.5MW solar power from AMP SOLAR as a Captive User for Unit (Dadri) Plant. As a Captive User, the Electricity Purchased will be cheaper than the prevailing costs, with Minimum Savings guaranteed to us in the Power Purchase Agreement. In the longer term the Company undertakes various energy efficiency measures at its manufacturing locations. In the longer term, the Company aims to reduce CO ² emissions and generate energy at a lower cost at its factories in India. This, is in-sync with the Company's approach towards building a sustainable ecosystem through efficient energy consumption and optimum utilization of natural resources such as solar power and wind energy.
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 2020-21 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, 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 | No customer complaints/consumer cases were pending as at the end of financial year 2020-21 |
| 2 | Does the Company display product information on the product label, over and above what is mandated as per local laws? | The Company at present does not display any information other than as mandated. However, in future necessary improvements will be made in this regard. |
| 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

Sameer Gupta

Managing Director

(DIN: 00005209)

Date: July 26, 2021

Place: Noida

Board's Report

To the members of

Apollo Pipes Limited,

Your Directors are pleased to present the 35th Annual Report on the business and operations of your Company along with the Audited Financial Statement for the financial year ended March 31, 2021.

FINANCIAL PERFORMANCE:

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

(₹ In Lakh)

Particulars	FY 2020-21	FY 2019-20
Gross sales	51,806.83	40,795.81
Add : Other income	841.14	1,013.27
Total revenue	52,647.98	41,809.08
Operating expenses	44,381.80	36,160.67
EBIDTA	8,266.17	5,648.41
Less : Finance cost	436.26	606.76
Less : Depreciation and amortisation	1,762.76	1,269.98
Profit before tax (PBT)	6,067.16	3,771.67
Less : Tax expense	1,619.72	919.09
Profit after tax for the year (PAT)	4,447.43	2,852.58
Prior period adjustments	-	-
Add: Profit brought forward	9,270.03	6,575.50
Final dividend on equity shares	-	131.09
Tax on dividends	-	26.96
Balance carried over to balance sheet	13,717.46	9,270.03

The Company's gross turnover in financial year 2020-21 increased significantly by 27% from ₹ 40,795.81 lakh to ₹ 51,806.83 lakh. The EBIDTA has been increased by 46% from ₹ 5,648.41 lakh to ₹ 8,266.17 lakh for the year under review. The net profit of the Company has also increased by 56% from ₹ 2,852.58 lakh to ₹ 4,447.43 lakh during the year under review.

DIVIDEND

The Board of Directors of the Company has deemed it prudent not to recommend any dividend for the financial year under report and to retain the profits, in order to mitigate the adverse impact caused by the outbreak of Covid-19 pandemic and to augment the resources for meeting the future business objectives

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. Hence, the same is not annexed to this report, however, same is available on our website at https://www.apollopipes.com/media/product/2135595372_DividendDistributionPolicy.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

The Indian economy was expected to contract of earlier years in FY21. India announced the largest lockdown in the world that extended more than 5 weeks which brought the wheels of the economy to a grinding halt.

Lives and livelihoods were severely impacted. Businesses struggled. Consumer confidence plummeted. And India reported it's a 24% plus GDP contraction in Q1 of FY21 – the highest quarterly GDP contraction since independence.

A resurgent India bounced back with vigour. The wheels of the economy gathered momentum. The phased unlocking enabled businesses to capitalise on the pent up demand. Moreover, the geo-political issues prevailing in the global landscape and the China+1 strategy adopted by a number of global conglomerates created considerable growth opportunities for India Inc.

The nation reported a GDP growth of 1.6% in the fourth quarter of FY21.

BUSINESS PERFORMANCE

FY21 was one of uncertain operations as pandemic and the lockdown halted operations for close to a month. The subsequent drop in demand impacted the Company's operations initially. But it recovered smartly in the second half of the year as commercial activity picked up and demand resurfaced. Sales in the second half of the fiscal stood at 24,432 MT – 6.68% higher than the production in the first half of FY21.

Despite the initial operational challenges, the Company reported a 27% increase in Revenue from Operations from Rs 408 crore in FY20 to Rs 518 crore in FY21. This jump was contributed by growing sales volumes and a larger proportion of value-added products.

In line with the Company's long-term strategy of widening its product offering, it launched water tanks in North India. The product received an overwhelming response from the markets. To the extent that Apollo Pipes needed to create capacities for water tanks in our other manufacturing units.

The Company prudently utilised the cash flow between retiring high-cost debt even as it invested in capacity enhancement. In addition, the Company undertook important measures to create awareness about its products among discerning customers in key markets.

PROSPECTS

Government programmes such as the programme – Jal Jeevan Mission (Urban & Rural) – promise to provide piped water supply and tap connections to all households in smaller cities and town over the next four years. This is expected to open large opportunities over the medium-term.

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 is expected to commence operation in FY22.

COVID-19: THE SECOND WAVE

India was hit hard by the second wave of the pandemic in April 2021. The state governments announced simultaneous lockdowns across the country. Major impact of Covid-19 has been felt in the first quarter with both revenue and profit being affected. With opening of domestic market post lockdown in June 2021, business prospects and performance is expected to improve gradually from the second quarter of FY22 onwards.

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. For the financial year ended March 31, 2021, 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.

ANNUAL RETURN

In accordance with the provisions of Section 134 (3)(a) of the Companies Act, 2013, the Annual Return as required under Section 92 of the Act for the financial year 2020-21, is available on Company's website at https://www.apollopipes.com/media/product/1224662331_Annual_Return_for_FY_2020-21.pdf

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 Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year under report.

SHARE CAPITAL

As on March 31, 2021 the authorized share capital of the Company stood at ₹16,55,00,000/- (Rupees Sixteen Crore and Fifty Five Lakh only) divided into 1,65,50,000 (One Crore Sixty Five Lakh and Fifty Thousand only) equity shares of ₹10 (Rupees Ten Only) each.

The paid up Equity Share capital of the Company as on March 31, 2021, was ₹ 13,10,94,020/- (Rupees Thirteen Crore Ten Lakh Ninety Four Thousand and Twenty only) divided into 1,31,09,402 (One Crore Thirty One Lakh Nine Thousand Four Hundred and Two only) equity shares of ₹ 10/- (Rupees Ten only) each.

During the year, 13,60,000 outstanding fully convertible Warrants, held by Mr. Sameer Gupta and Mrs. Meenakshi Gupta (4,60,000 and 9,00,000 each respectively), stand lapsed on account of failure to exercise the right to acquire Equity Shares underlying the said warrants within 18 months of such allotment by the Warrant-holders in terms of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Thereby, diluted share capital of Company ₹ 14,46,94,020 is reduced to ₹ 13,10,94,020. The Company has neither issued shares with differential voting rights nor has issued any sweat equity shares. Further it did not issue any bonus shares also during the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Saket Agarwal 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 Companies Act, 2013 and SEBI (LODR), 2015. Further, pursuant to the Regulation 25(8) of the SEBI (LODR), 2015, 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.

Pursuant to Companies (Appointment and Qualification of Directors) Rules, 2014 all the Independent Directors has registered themselves under the Independent Director's databank.

Composition of the Board of Directors of the Company as on 31.03.2021:

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. Abhilash Lal was appointed as Additional Director w.e.f. March 22, 2020 and his appointment was regularized by members as Independent Director in 34th AGM of Company, held on September 29, 2020.

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 Companies Act, 2013 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 compliance@apollopipes.com. The said information is available for inspection at the registered office of the Company during working days of the Company upto the date of ensuing Annual General Meeting.

AUDITORS AND AUDITORS' REPORT

A. Statutory Auditors

The tenure of the Statutory Auditors M/s. VAPS & Company, Chartered Accountants, (Firm Registration No. 003612N) got expired in 34th AGM dated September 29, 2020 and consequently, the members of the Company in the said AGM, on recommendation of Board in their meeting held on August 04, 2020, had re-appointed M/s. VAPS & Company, Chartered Accountants for second term of five years till the conclusion of 39th AGM to be held in year 2025.

The Statutory Audit Report on the financial statements for the financial year ended on March 31, 2021 does not contain any qualification, reservation or adverse remark or disclaimer. The Auditor has not reported any incidence of fraud 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 had, on the recommendation of the Audit Committee, approved the appointment of M/s HMVN & Associates, Cost Accountants (FRN: 000290) as the Cost Auditors of the Company for the year ended March 31, 2021.

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 was passed by members in their 34th AGM for ratification of remuneration of Cost Auditor for financial year ended March 31, 2021.

M/s HMVN & 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, 2021 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 Companies Act, 2013, 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 2020-21. 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.

RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2021, 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 Companies Act, 2013, read with Regulation 23 of SEBI (LODR), 2015.

Further, the Company has not entered into any contract or arrangement or transaction with the related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. In view of the above, disclosure in form AOC-2 is not applicable.

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 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 (During the financial year ended March 31, 2021)	Apollo Pipes Limited Employee Stock Option Scheme – 2020
1	Options granted	91,400
2	Options vested;	The said options shall vest, as under:- <ul style="list-style-type: none"> • At the end of 1st year from the grant date - 25% of options granted. • At the end of 2nd year from the grant date - 25% of options granted. • At the end of 3rd year from the grant date - 25% of options granted. • At the end of 4th year from the grant date - 25% of options granted.
3	Options exercised	--
4	Total number of shares arising as a result of exercise of option	91,400 Equity Shares of face value ₹ 10/- each will arise deeming all granted options are vested and exercised.
5	Options lapsed	--
6	Exercise price	Since the Shares were acquired from the Secondary Market, the exercise price is fixed at ₹ 498/- per Option.
7	Variation of terms of options	Not Applicable
8	Money realized by exercise of options	-
9	Total number of options in force	81,200
10	Employee wise details of options granted to:-	
	(i) Key managerial personnel;	
	- Mr. Ajay Kumar Jain	4,000
	- Mr. Ankit Sharma	2,000

S. No.	Particulars (During the financial year ended March 31, 2021)	Apollo Pipes Limited Employee Stock Option Scheme – 2020
	(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*	5,000
	(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;	

*Mr. Parag Dadeech was appointed as Chief Operating Officer w.e.f. December 01, 2020 and he was granted 5,000 options pursuant to the above ESOP scheme and subject to the above mentioned vesting schedule. However, due to personal reasons, he had resigned the office on April 09 2021, thereby his options stand cancelled and moved back to ESOP pool.

Following is the list of person who has resigned the office and consequently their options reverred back to the pool.

S. No	Name	Number of Options granted
1.	Mr. Parag Dadeech	5,000
2.	Mr. Priyotosh Mandal	2,800
3.	Ms. Tanu Jain	400
4.	Mr. Sumit Sharma	400
5.	Mr. Giribabu Buddi	400
6.	Mr. Nagendrababu.K	400
7.	Mr. Anand Sharma	400
8.	Mr. Yogesh Goswami	400
	Total	10,200

The Certificate from the Merchant Banker of the Company certifying that the Scheme is being implemented in accordance with the Share Based Employee Benefits (SBEB) Regulations 2014 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 Companies Act, 2013, 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, 2021, 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, 2021 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 Companies Act, 2013 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 Companies Act, 2013, 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 ₹ 128.48 lakh for various CSR purposes in compliance to the provisions of Companies Act, 2013 relating to Corporate Social Responsibility.

The Annual Report on CSR activities is annexed herewith as **Annexure 'C'**.

Ministry of Corporate Affairs has revised the provisions of Section 135 of Companies Act, 2013, notified on January 22, 2021, which consequently obliged the Company to revise Corporate Social Responsibility Policy by incorporating necessary changes such as, change in function of CSR Committee, Distinction of CSR projects or programmes and others in terms of "short term" and "long term", manner of determining ongoing projects and such other matters as prescribed under the new law.

The revised 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.

Pursuant to the above amendment, Company had received a certificate from Chief Financial Officer dated April 28, 2021, regarding the utilization of funds.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

In terms of Section 186 of the Companies Act, 2013 and rules framed thereunder, details of Loans, Guarantees given and Investments made have been disclosed in the notes to the financial statements for the year ended March 31, 2021.

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 Companies Act, 2013 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 **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 Obligation and Disclosure Requirements) Regulation 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 2020-21.

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:

- Change in the nature of business of the Company.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this report.
- Significant or material orders passed by the regulators or courts or tribunal which impacts the going concern status and company's operations in future.
- 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

Sanjay Gupta
Chairman
(DIN: 00233188)

Place: Noida

Date: July 26, 2021

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 2020-21: The ratio of the remuneration of Mr. Sameer Gupta, Managing Director to the median remuneration of the employees of the Company is 67.45 respectively. Sitting Fees paid to the Directors has not been considered as remuneration.
- (2) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21. The percentage increase in remuneration of Mr. Sameer Gupta, Managing Director is NIL, Mr. Ajay Kumar Jain, Chief Financial Officer is NIL and Mr. Ankit Sharma, Company Secretary is 21.6.
- (3) The percentage decrease in the median remuneration of employees for the financial year 2020-21 is 4.17%
- (4) The number of permanent employees on the rolls of the Company as on March 31, 2021 is 542.
- (5) The average decrease in the managerial remuneration for the FY 2020-21 is 3.10% and the average decrease in the salary of employees other than managerial personnel for the FY 2020-21 is 1.74%. Managerial Personnel includes Chairman, Managing Director, Executive Director, Chief Financial Officer and Company Secretary. Decrease in managerial Remuneration was due to nationwide lockdown on account of Covid-19.
- (6) We affirm that the remuneration paid in the financial year 2020-21 is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management of the Company.

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

Sanjay Gupta

Chairman

(DIN: 00233188)

Place: Noida

Date: July 26, 2021

Form No. MR-3

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2021**

[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, Proprietor of 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, 2021 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, 2021 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;
- (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)
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;(as amended)
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;(as amended)
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;(as amended);
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme, Employee Stock Purchase Scheme) Guidelines, 1999 and (Share Based Employees Benefits) Regulations, 2014; (as amended)
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable to the Company during the audit period
 - (g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; Not applicable to the Company during the audit period
 - (h) 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;

- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (as amended); Not applicable to the Company during the audit period
- (j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable to the Company during the audit period
- (k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (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 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.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

All decisions at the Board Meetings and Committee Meetings were carried out unanimously as recorded in the Minutes of the Board of Directors or Committee of the Board, as the case may be.

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 during the audit period under review:

1. 460000 and 900000 outstanding Fully Convertible Warrants, allotted to Mr. Sameer Gupta and Mrs. Meenakshi Gupta respectively, on October 06, 2018 on preferential basis, stand lapsed on account of failure to exercise the right to acquire Equity Shares underlying the said warrants within (18) Eighteen months of such allotment by the Warrant-holders in terms of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
2. During the period under review, the Company has obtained the shareholders' approval through Postal Ballot on April 21, 2020 in respect of the following business item(s):
 - (a) Employees Stock Option Scheme, 2020;
 - (b) Grant of Stock Options to the employees of Holding and Subsidiary Company;
 - (c) Grant of Employee Stock Options by way of Secondary Acquisition.
 - (d) Provision of money for purchase of its own shares by the trust/trustees for the benefit of employee;
 - (e) Re-appointment of Mr. Sameer Gupta as Managing Director;
 - (f) Amendment in Memorandum of Association;
 - (g) Amendment in Articles of Association;

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

Anjali Yadav

Proprietor

FCS No.: 6628

C P No.: 7257

PR: 629/2019

Place: New Delhi

Date: July 26, 2021

UDIN: F006628C000684668

NOTE : "We have conducted online verification & examination of records, as facilitated by the Company, due to Covid-19 and subsequent lockdown situation for the purpose of issuing this report."

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. Where ever 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

Anjali Yadav

Proprietor

FCS No.: 6628

C P No.:7257

PR: 629/2019

Place: New Delhi
Date: July 26, 2021
UDIN: F006628C000684668

ANNUAL REPORT ON THE CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED MARCH 31, 2021

{Pursuant to Section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Accounts) Rules, 2014}

- 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, provide medical relief help in combating chronic disease and addressing environmental issues.

- 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)	1	1
2	Mr. Sanjay Gupta	Non-executive Director (Member)	1	0
3	Mr. Sameer Gupta	Managing Director (Member)	1	1

- 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
- 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): **N/A**
- 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	2020-21	N/A	0.33 Lakh
TOTAL			

- Average net profit of the Company as per section 135(5): ₹ 3,433.03 Lakh for FY 2020-21 and ₹ 2,974.45 Lakh for FY 2019-20.
- (a) Two percent of average net profit of the company as per section 135(5) (total inclusive for FY 2019-20 and FY 2020-21): **₹ 128.15 Lakh**
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **N/A**
 (c) Amount required to be set off for the financial year, if any: **N/A**
 (d) Total CSR obligation for the financial year (7a+7b- 7c): **₹ 128.15 Lakh**
- (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.	
1,28,48,090			N/A			

(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).	Location of the project.	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 Direct (Yes/No).	Mode of Implementation – Through Implementing Agency
			State. District.		N/A					

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation Direct (Yes/No)	Mode of implementation – Through implementing agency.
				State.	District.			Name.
1.	Skill Development Programme for Plumbers (Ujjwal)	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Delhi	Delhi	₹ 31,50,000/-	No	Indian Plumbing Skills Council (IPSC)
2.	Kumbh Mela Activities	(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	No	Uttra-khand	Haridwar	₹ 78,44,265/-	No	Vritti Foundation
3.	Stationary Distribution	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Uttar Pradesh	Noida, Ghaziabad, Dadri, Sikan-drabad	₹ 18,53,825/-	Yes	Not Applicable
TOTAL						₹ 1,28,48,090/-		

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

(e) Amount spent on Impact Assessment, if applicable. **N/A**

(f) Total amount spent for the financial year (8b+8c+8d+8e) : **₹ 128.48 Lakh**

(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)	128.15 Lakh
(ii)	Total amount spent for the financial year	128.48 Lakh
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.33 Lakh
(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)]	0.33 Lakh

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 preceding 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**

Mr. Sameer Gupta

(Managing Director)

Date : July 26, 2021

Place : Noida

Mr. Pradeep Kumar Jain

(Chairman of CSR Committee)

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

(i) the steps taken or impact on conservation of energy:

- a) To know the energy utilization, the Company has installed the meters on each machine at every mill, to record the energy requirement, basis of which company has analyzed, through the use of various equipment's, the percentage of wastage of electricity by the machines and whether to replace or revamp in order to save cost.
- b) The Company already have 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. The Electricity so purchased will be cheaper than the prevailing rates, with Minimum Savings guaranteed to us in the Power Purchase Agreement.

(ii) Solar energy has now proved to be very beneficial, not only for the environment but also financially. The technology has been improved considerably, turning into a very efficient source of clean energy:

- Reduce energy loss
- Reduce electricity bills by decreasing the Energy Rate.
- Minimum breakdowns
- Low maintenance cost
- Diverse purpose

(iii) The capital investment on energy conservation equipment's: The capital investment on energy conservation for purchase of 4.5MW solar power plant from AMP SOLAR at Dadri Plant is ₹ 1.305 crore.

II. TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption: The 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.

The 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.

(ii) The Benefits Derived as a result of above efforts:

- Tracking the usage and booking of RM, Scrap, SFG has helped in cost reduction by giving a clear idea about planned versus actual, thus, helping in better planning and 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.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

₹ in lakhs

Particulars	F.Y 2020-21	F.Y 2019-20
Foreign exchange earnings	220.70	157.88
Foreign exchange outgo	17,044.32	17,023.93

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

Sanjay Gupta

Chairman

(DIN: 00233188)

Place: Noida

Date: July 26, 2021

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, 2021, 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 2020-21	Attendance in last AGM held on 29 September, 2020	No. of equity shares held	No. of other Directorships and Committee Memberships / Chairmanships		
					Other Directorship \$	Other Membership**	Other Chairmanship **
Mr. Sameer Gupta	MD & E	5	Present	32,24,254	-	-	-
Mr. Sanjay Gupta*	NEC	1	Absent	1,61,400	5	-	-
Mr. Saket Agarwal	NE	3	Absent	2,14,159	0	-	-
Ms. Neeru Abrol®	NE & I	5	Present	Nil	5	5	2
Mr. Pradeep Kumar Jain®	NE & I	5	Present	Nil	-	-	-
Mr. Abhilash Lal®	NE & I	5	Present	Nil	2	3	-

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"

**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.

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 2020-21 i.e., on May 02, 2020, August 04, 2020, October 29, 2020, November 30, 2020 and January 16, 2021. 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 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 Companies Act, 2013 and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on January 16, 2021. 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 SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended from time to time ("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/239137536_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	Names(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 Companies Act, 2013 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 Companies Act, 2013 and Regulation 18 read with Part 'C' of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 SEBI Listing Regulations, as amended from time to time, inter alia, includes the following:

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Approval or any subsequent modification of transactions of the Company with related parties;
4. Scrutiny of inter-corporate loans and investments;
5. Valuation of undertakings or assets of the Company wherever it is necessary;
6. Evaluation of internal financial controls and risk management systems;
7. 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;
8. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. 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 Companies Act, 2013;

- b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Significant adjustments made in the financial statements arising out of audit findings;
 - d. Disclosure of any related party transactions;
 - e. Modified opinion(s) in the draft audit report;
9. Reviewing, with the management, the quarterly financial statements, annual financial statements and auditors' report thereon before submission to the Board for approval;
 10. Review of Management Discussion & Analysis of Financial conditions & results of operations;
 11. Review of statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 12. Review of management letters/ letters of internal control weaknesses issued by the Statutory Auditors;
 13. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 15. 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;
 16. Discussion with internal auditors of any significant findings and follow up thereon;
 17. Review of internal audit reports relating to internal control weaknesses;
 18. Audit committee shall review the following:
 - I. 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 SEBI Listing Regulations.
 - II. 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 SEBI Listing Regulations;
 19. 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;
 20. 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;

21. To review the functioning of the Whistle Blower Mechanism;
22. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
23. The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company;
24. Examination of the financial statement and the Auditor's report thereon;
25. 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, 2021, Audit Committee comprises of three Directors and out of which two are Independent Directors. The Chairman 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 02, 2020, August 04, 2020, October 29, 2020 and January 16, 2021. The composition of the Audit Committee as on March 31, 2021 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

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 Companies Act, 2013. The Composition and the terms of reference of the committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 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:

1. 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;
2. 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;
3. Formulate a familiarization programme to acquaint Directors with the Company and its business etc;
4. Formulating the criteria for evaluation of every Directors performance;
5. Devising a policy on Board diversity;
6. The Committee shall take into consideration and ensure the compliance of provisions of Section 196, read with Schedule V of the Companies Act, 2013 while appointing and fixing remuneration of Managing Directors / Whole-time Directors;
7. 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;
8. 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:
 - i. To determine the Exercise Price;
 - ii. To select the Employees to whom Options may from time to time be granted hereunder;
 - iii. To determine whether and to what extent Options are granted hereunder;
 - iv. To determine the number of Shares to be covered by each Options granted hereunder;
 - v. To determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder;
 - vi. To prescribe, amend and rescind rules and regulations relating to the Plan;
 - vii. To construe and interpret the terms of the Plan and Shares issued pursuant to the Plan; and
 - viii. To take decisions on other matter as may be necessary for administration of this Plan.
9. 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, only 1 (one) meeting of the Nomination and Remuneration Committee was held i.e., on January 16, 2021. The

composition of the Nomination and Remuneration Committee as on March 31, 2021 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

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 Companies Act, 2013, 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.

Based on the recommendations of NRC, the Board has approved the 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 accessed through following link: https://www.apollopipes.com/media/product/1186640356_Nomination_&_Remuneration_Policy_of_Apollo_Pipes_Limited.pdf.

8.2 Remuneration to the Directors

Executive Director:

During the year ended March 31, 2021, Mr. Sameer Gupta, Managing Director, was paid a salary of ₹116.5 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 ₹7.05 lakh to all Non-Executive Independent Directors for attending the meetings of the Board and/or committees of Directors, during the financial year 2020-21. Details of sitting paid during the year is mentioned under the table below:

Particulars of Remuneration	Name of Directors			Total Amount (₹ in Lakhs)
Name of Non-Executive Directors	Mr. Pradeep Kumar Jain	Ms. Neeru Abrol	Mr. Abhilash Lal	
Fee for attending Board/ Committee Meetings	2.05	3.25	1.75	7.05

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 and other whole-time Directors 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 Companies Act, 2013.

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 16, 2021.

The composition of the Stakeholders Relationship Committee as on March 31, 2021 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

Mr. Ankit Sharma, Company Secretary is 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, however no complaints were received during the year under review.

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 Companies Act, 2013 and

Corporate Social Responsibility (CSR) Rules, 2014 (as amended from time to time).

During the year one meeting of the CSR Committee was held on October 29, 2020. 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	1
2	Mr. Sanjay Gupta	Member	0
3	Mr. Sameer Gupta	Member	1

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
2019-20	Through Video Conferencing	Tuesday, 29th 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, 28th 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 Companies Act, 2013 – for increase the borrowing limits and creation of the charge on the assets of the Company.
2017-18	JP Hotel & Resorts, 6B, IP Extension, Patparganj, Near Max Hospital, Delhi-110092	Saturday, 22nd September, 2018 at 10:00 A.M.	-For Issuance of 9,50,000 equity shares on preferential basis to the persons belonging to promoter category. -For issuance of 24,85,000 Fully Convertible Warrants on Preferential Basis to the persons belonging to Promoter category. -Approval of revision in remuneration payable to Mr. Sameer Gupta (DIN: 00005209), Managing Director of the Company. -For authorization to the Board u/s 180 (1)(a) and 180 (1)(c) of the Companies Act, 2013 – for increase the borrowing limits and creation of the charge on the assets of the Company.

B. Special Resolution passed through Postal Ballot during Financial Year 2020-21

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. Approval of Apollo Pipes Limited Employee Stock Option Scheme – 2020				
2. Approval of grant of Stock Options to the employees of holding Company and Subsidiary Company (ies) under Apollo Pipes Limited Employee Stock Option Scheme – 2020				
3. Grant of Employee Stock Options by way of secondary acquisition under Apollo Pipes Limited Employee Stock Option Scheme – 2020	March 19, 2020	March, 21, 2020	April 21, 2020	April 21, 2020
4. Provision of money by the Company for purchase of its own shares by the Trust / Trustees for the benefit of employees under Apollo Pipes Limited Employee Stock Option Scheme – 2020				
5. Approval for amendment in the Memorandum of Association				
6. Approval for amendment in the Article of Association				

As on date, no Special resolution is proposed to be passed by the Company through Postal Ballot.

vote electronically through the e-voting services provided by CDSL on all resolutions set forth in the Notice.

- In compliance with Regulation 44 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, and in compliance with the provisions of Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, Members were provided with the facility to cast their
- The Company had appointed Mr. Deepak Kumar Lath proprietor of M/s Lath Deepak & Associates, Practicing Company Secretary as scrutinizer to conduct the above instances of Postal Ballot/e-voting process in fair and transparent manner.

12. Disclosures**a) Related Party Disclosure:**

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements), 2015 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.

Besides this, 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 is available on the website of the Company and can be accessed through https://www.apollopipes.com/media/product/1131204722_Related_Party_Policy_of_Apollo_Pipes_Limited.pdf.

Suitable disclosure as required by the Accounting Standards (AS-24) has been made in the Note no. 39 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 SEBI Listing Regulations:

- (i) The Internal Auditor reports to the Audit Committee.
- (ii) 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 regu-

lations 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 is standing on 669th rank on NSE and 698th Rank on BSE, 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

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 at www.apollopipes.com

h) Vigil Mechanism / Whistle Blower policy:

In compliance with provisions of Section 177 (9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 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 chairman of the Audit Committee. 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/1835062456_VigilMechanism12.11.2019.pdf.

i) Subsidiary Companies:

During the year under review, the 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/2000800348_PolicyonMaterialSubsidiariesdated30.03.2019.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 2020-21.

13. List of all Credit Ratings obtained by the Company along with any revisions thereto during the financial year ended March 31, 2021:

During the year under review, the Rating agencies CRISIL maintained the "A-/Positive" rating for the Company's long term borrowings and "A2+" rating for the Company's short term borrowings.

Company has also obtained credit rating by ICRA Limited depicting that Long Term Rating "[ICRA]A(Stable)" and Short Term Rating "[ICRA]A1".

14. Means of communication:**i. 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 compli-

ances 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 portal.

A separate dedicated section under "Investors", 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 2020-21. 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 2, 2021 (Thursday) at 01.00 P.M.

Venue: Through Video Conferencing (VC)

ii. Financial calendar (tentative and subject to change)

Period	Board Meetings
Unaudited results for first quarter ended June 30, 2021	On or before August 14, 2021*
Unaudited results for second quarter/ half year ended September 30, 2021	On or before November 14, 2021*
Unaudited results for third quarter/ nine months ended December 31, 2021	On or before February 14, 2022*
Audited results for the financial year 2021-22	On or before May 30, 2022*

*Subject to extension, if any granted by the Regulator.

Dividend Payment: Board of Directors did not recommend dividend for financial year 2020-21.

iii. Listing of shares:

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

- | | |
|---|----------------------|
| 1. BSE Limited | (Scrip Code: 531761) |
| 2. 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 2020-21.

ISIN Code for the Company's Equity Shares: INE126J01016

iv. Distribution schedule as at March 31, 2021

Nos. of equity shares held	Shareholders		Shares held	
	Number	%	Number	%
Upto 5,000	10025	91.61	6,35,775	4.85
5,001-10,000	397	3.62	3,04,489	2.32
10,001-20,000	266	2.43	3,97,339	3.03
20,001-30,000	73	0.67	1,82,562	1.39
30,001-40,000	49	0.45	1,70,823	1.3
40,001-50,000	27	0.25	1,21,414	0.93
50,001-1,00,000	50	0.46	3,72,250	2.84
1,00,001 & Above	56	0.51	1,09,24,750	83.34
Total	10943	100	1,31,09,402	100

v. Shareholding pattern as on March 31, 2021

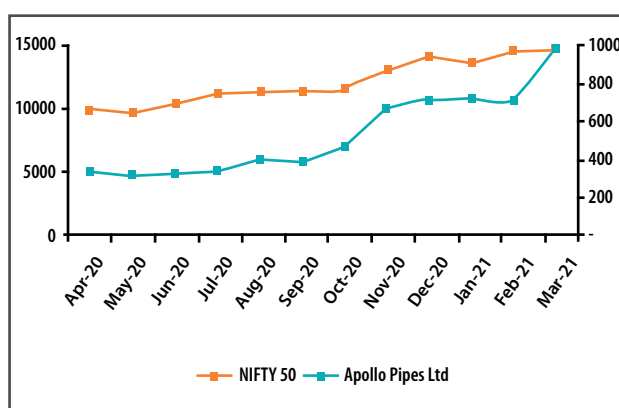
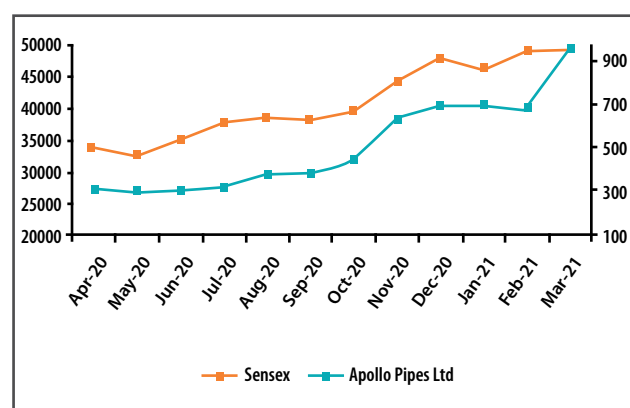
Category	No. of shares held	Percentage of shareholding
Indian Promoters	68,21,400	52.03
FII/Foreign Investors/NRIs	5,23,716	3.99
Mutual funds/ Financial Institutions/Banks	8,67,043	6.62
Individuals/Trusts/Employee Trust	37,88,739	28.9
Clearing Members/ Hindu Undivided Families	3,23,349	2.47
Domestic Bodies Corporate	5,93,807	4.53
Alternative Investment Funds/ Pension Funds/Provident Fund/	1,91,348	1.46
Total	1,31,09,402	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, 2020	330.00	231.05	31808	326.90	220.00	348358
May, 2020	366.00	286.00	53538	359.70	282.00	1160883
June, 2020	399.00	286.50	119868	407.40	302.00	778535
July, 2020	358.65	306.10	108170	359.80	306.60	955263
August, 2020	443.90	325.05	157076	468.65	324.50	959356
September, 2020	418.90	362.50	51005	419.25	370.00	439468
October, 2020	475.00	377.65	61117	475.00	376.65	796018
November, 2020	710.00	455.40	257328	693.00	456.35	2123576
December, 2020	725.15	603.00	85180	725.00	610.00	823197
January, 2021	799.00	642.00	134806	769.90	650.50	1247066
February, 2021	758.95	650.00	53301	728.00	670.00	622548
March, 2021	1028.35	707.45	194198	1,029.00	706.35	2535424

(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.

All such permitted requests are handled and disposed off by Company's Registrar & Share Transfer Agent i.e. M/s Beetal Financial & Computer Services Private Limited within fifteen days from the date of receipt of request, provided the documents are found to be in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the SEBI Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

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 Companies Act, 2013 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	Unclaimed Dividend amount as on March 31, 2021
2018-2019 (Final Dividend)	1.00	September 28, 2019	November 02, 2020	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, 2021, 99.94% of the Company's total Equity Shares representing 1,31,01,752 shares were held in dematerialized form and 7,650 shares representing 0.059% of paid-up share capital were held in physical form.

x. Outstanding ADRs/ GDRs

There were no outstanding GDRs/ ADRs, as on March 31, 2021.

xi. Warrants and other convertible instruments:

There were no warrants outstanding for conversion as on March 31, 2021

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/2018/0000000141 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 as **Annexure-CG/1**

xv. During the financial year ended March 31, 2021, 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.

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: 0120-6587777

Fax 011-22373537

Mail: compliance@apollopipes.com; akjain@apollopipes.com

xvii. 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

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, 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 & 173 – A, KIADB Industrial area,
Vasanthanarasapura, Tumkur, Karnataka 572101

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 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. **Annexure- CG/3**

18. Compliance certificate of the Practicing Company Secretary:

The Company has complied with the requirements of the Schedule V of SEBI 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 SEBI 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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

Sanjay Gupta

Chairperson
(DIN: 00233188)

Date: July 26, 2021

Place: Noida

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,
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 electronically 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 and 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, 2021 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 the Director	DIN	Date of appointment in Company
1.	Mr. Sameer Gupta	00005209	05/01/2011
2.	Mr. Saket Agarwal	00203084	30/03/2019
3.	Mr. Sanjay Gupta	00233188	30/01/2018
4.	Ms. Neeru Abrol	01279485	30/01/2018
5.	Mr. Abhilash Lal	03203177	22/03/2020
6.	Mr. Pradeep Kumar Jain	08063400	30/01/2018

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

Anjali Yadav

Proprietor

FCS No.: 6628

C P No.:7257

PR: 629/2019

Place: New Delhi

Date: July 26, 2021

UDIN: F006628C000684723

NOTE : "We have conducted online verification & examination of records, as facilitated by the Company, due to Covid-19 and subsequent lockdown situation for the purpose of issuing this certificate."

Annexure-CG/2

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

To

The Members

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, 2021 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, 2021.

For Apollo Pipes Limited

Place: Noida

Date: May 04, 2021

Sameer Gupta
Managing Director

**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, 2021 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 in 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.

Date: May 04, 2021
Place: Noida

(Sameer Gupta)
Managing Director

(Ajay Kumar Jain)
Chief Financial Officer

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 Apollo Pipes Limited ("the Company"), for the financial year ended on March 31, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as the "Listing Regulations") as amended from time to time for the financial year ended March 31, 2021.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above mentioned Listing Regulations.

Our Responsibility

Pursuant to the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2021.

We have examined the compliance of conditions of Corporate Governance by the Company for the period April 01, 2020 to March 31, 2021 as per the Listing Regulations. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance for the period April 01, 2020 to March 31, 2021. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

Based on our examination of the relevant records and according to the information and explanations furnished to us and the representations provided by the Management and after considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India due to spread of the Covid-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the financial year ended March 31, 2021.

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.

For Anjali Yadav & Associates
Company Secretaries

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

Place: New Delhi
Date: July 26, 2021
UDIN: F006628C000684756

NOTE : "We have conducted online verification & examination of records, as facilitated by the Company, due to Covid-19 and subsequent lockdown situation for the purpose of issuing this certificate."

Independent Auditor's Report

To the Members of

APOLLO PIPES LIMITED

Report on the Financial Statements

Opinion

We have audited the financial statements of APOLLO PIPES LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss, 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profits, 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 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note 42 to the financial statements which explains the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID -19 pandemic situation. As per the management's current assessment, there is no significant impact on carrying amounts of inventories, tangible assets, trade receivables, investments and other financial assets is expected, and management continue to monitor changes in future economic conditions. Our opinion is not modified in respect of this matter.

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>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>

Key Audit Matter	Auditor's Response
Refer Note 37 to the financial statements.	<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, 2021 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 Companies Act, 2013 ("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 accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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. That 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 user 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 expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) 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.
 - b) 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.
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) 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.
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) 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 B".
 - g) 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 directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. 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.
 - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

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

Praveen Kumar Jain

Partner

Membership Number: 082515

UDIN: 21082515AAAACG9946

Place: New Delhi

Date: May 4, 2021

Annexure 'A' to The Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of APOLLO PIPES LIMITED of even date)

- i. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification.
- (c) The title deeds of immovable properties, as disclosed in Note 5 on Property, Plant and Equipment to the Ind AS financial statements, are held in the name of the Company.
- ii. According to the information available to us that physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies is noticed on physical verification between the physical stocks and the book records.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- 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. (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- (c) The particulars of dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty and Value Added Tax as at March 31, 2021 which have not been deposited on account of dispute, are as follows:

Name of the Statute	Nature of Dues	Amount in ₹	Period to which dues Related	Authority where the Dispute is Pending for Decision
Customs Act, 1962	Rejection of Transaction value declared by the importer	3,90,662	April 2018 to March 2019	Commissioner of Customs (Appeals)- NOIDA
UPVAT Act, 2008	Regular Assessment Ex-parte order passed	4,21,65,399	April 2016 to March 2017	Commercial Tax Tribunal, Ghaziabad

- viii. 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.
- ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the company during the year for the purposes for which they were raised.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xi. The Company has paid/ provided for managerial remuneration during the year in accordance with the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS Financial Statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xvi) of the order is not applicable to the company.
- xv. The Company has not entered into any non-cash transactions with its Directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

Praveen Kumar Jain

Partner

Place: New Delhi
Date: May 4, 2021

Membership Number: 082515
UDIN: 21082515AAAACG9946

Annexure 'B' to The Independent Auditor's Report

(Referred to in paragraph 2(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, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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, 2021, 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.

Management's Responsibility for Internal Financial Controls

The Board of Directors 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 be come in adequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Praveen Kumar Jain

Partner

Place: New Delhi

Date: May 4, 2021

Membership Number: 082515

UDIN: 21082515AAAACG9946

Balance Sheet as at March 31, 2021

(Amount in ₹ lakh)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	5	19,033.17	12,301.37
Capital Work in Progress		771.03	3,045.75
Intangible Assets	6	2,133.46	2,169.20
Right of Use Asset	7	931.54	943.38
Financial assets			
- Investments	8(a)	30.54	30.54
- Other financial assets	8(b)	263.23	242.30
Other non current assets	9	944.19	235.05
Total non current assets		24,107.16	18,967.59
Current Assets			
Inventories	10	7,821.61	8,243.76
Financial Assets			
- Investments	11(a)	16.90	6.03
- Trade Receivables	11(b)	6,269.07	5,939.50
- Cash and Cash Equivalents	11(c)	11.79	2.74
- Earmarked Balances with Bank	11(d)	0.61	0.61
- Bank balances other than cash and cash equivalents	11(e)	7,215.76	12,795.63
- Loans	11(f)	633.10	123.02
- Other Financial Assets	11(g)	737.16	804.93
Other current assets	12	2,612.28	1,329.39
Total current assets		25,318.28	29,245.61
Total Assets		49,425.44	48,213.20
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	13	1,310.94	1,310.94
Other Equity	14	33,835.81	29,340.60
Total equity		35,146.75	30,651.54
Liabilities			
Non-current liabilities			
Financial Liabilities			
- Borrowings	15(a)	1,819.99	2,954.46
- Lease Liabilities	15(b)	5.62	5.60
Provisions	16	131.56	110.01
Deferred Tax Liabilities (Net)	17	237.05	246.49
Total non-current liabilities		2,194.22	3,316.56
Current Liabilities			
Financial Liabilities			
- Borrowings	18(a)	3,405.38	4,804.65
- Trade Payables	18(b)	4,816.26	6,798.77
- Other Financial Liabilities	18(c)	2,937.97	2,150.57
Provisions	19	25.63	26.81
Other Current Liabilities	20	517.11	387.14
Current Tax Liability (Net)	21	382.12	77.16
Total current liabilities		12,084.47	14,245.10
Total Liabilities		14,278.69	17,561.66
Total Equity and Liabilities		49,425.44	48,213.20

See accompanying notes to the financial statements

1-45

This is the balance sheet referred to in our report of even date

For **VAPS & Co.**

Firm Reg. No. 003612N

Chartered Accountants

Praveen Kumar Jain

Partner

Membership No. 082515

Place : Delhi

Date : May 4, 2021

For and On Behalf of the Board of Directors of
APOLLO PIPES LIMITED**Sameer Gupta**

Director

DIN-00005209

Ajay Kumar Jain

Chief Financial Officer

Sanjay Gupta

Director

DIN-00233188

Ankit Sharma

Company Secretary

Statement of Profit and Loss for the period ended March 31, 2021

(Amount in ₹ lakh)

Particulars	Note	For the Year ended March 31, 2021	For the Year ended March 31, 2020
I. Revenue from Operations	22	51,806.83	40,795.81
II. Other Income	23	841.15	1,013.27
III. Total Income (I+II)		52,647.98	41,809.08
IV. Expenses:			
Cost of materials consumed	24	35,459.41	29,741.17
Purchase of Stock-in-Trade		619.20	479.91
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	101.07	(1,342.16)
Employee Benefit Expense	26	2,926.15	2,639.33
Financial Costs	27	436.26	606.76
Depreciation and Amortization Expense	28	1,762.76	1,269.98
Other Expenses	29	5,275.97	4,642.42
Total Expenses		46,580.82	38,037.41
V. Profit before tax (III-IV)		6,067.16	3,771.67
VI. Tax Expenses:			
-Current tax		1,626.66	993.77
-Deferred tax		(6.93)	(58.56)
-Income tax expenses of earlier year		-	(16.12)
Total tax (credit) /expenses	30	1,619.73	919.09
VII. Profit/(Loss) for the year (V-VI)		4,447.43	2,852.58
VIII. Other Comprehensive Income for the year		14.26	(2.57)
IX. Total Comprehensive Income for the year (VII+VIII)		4,461.69	2,850.01
Earning per equity share of ₹ 10 each	31		
Basic		33.93	21.76
Diluted		33.93	19.71

See accompanying notes to the financial statements

1-45

This is the balance sheet referred to in our report of even date

For **VAPS & Co.**

Firm Reg. No. 003612N

Chartered Accountants

Praveen Kumar Jain

Partner

Membership No. 082515

Place : Delhi

Date : May 4, 2021

For and On Behalf of the Board of Directors of
APOLLO PIPES LIMITED**Sameer Gupta**

Director

DIN-00005209

Ajay Kumar Jain

Chief Financial Officer

Sanjay Gupta

Director

DIN-00233188

Ankit Sharma

Company Secretary

Statement of **Cash Flows** for the period ended March 31, 2021

(Amount in ₹ lakh)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional item and tax	6,067.15	3,787.77
Adjustments For		
Loss/(Gain) on Financial Assets measured at FVTPL	(10.88)	(0.76)
Depreciation and amortization expense	1,762.76	1,269.98
Finance Cost	435.82	606.43
Finance Cost on account of Lease	0.44	0.33
(Profit)/Loss on sale of Property, Plant and equipment	6.53	(5.10)
Interest on Income Tax Refund	(8.90)	-
Stock Compensation Expenses	33.52	-
Interest Income on FD with banks	(573.90)	(1,007.90)
Operating Profit before working capital changes	7,712.55	4,650.75
Adjustment for Working Capital Changes		
Decrease/(Increase) in Trade receivables	(329.58)	(2,360.81)
Decrease/(Increase) in other receivables	(2,529.17)	(890.49)
Decrease/(Increase) in inventories	422.15	(3,017.58)
(Decrease)/Increase in Provisions	20.37	42.88
(Decrease)/Increase in Trade and other payables	(857.84)	3,608.68
Cash generated from Operations	4,438.49	2,033.43
Taxes paid	(1,294.99)	(790.09)
Net Cash flow from operating activities (A)	3,143.51	1,243.34
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and equipment	(8,459.38)	(4,062.59)
Investments in Capital WIP	2,274.72	(1,871.25)
Sale of Fixed Assets	16.06	17.85
Purchase of Investments	(0.02)	-
Operating Lease Prepayments	-	(11.79)
Interest received	612.60	720.38
Net cash flow (used in) from investing Activities (B)	(5,556.01)	(5,207.40)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term Borrowings (Secured)	(2,719.59)	(2,217.25)
Proceeds from Non Current Borrowings	5.62	5.60
Interest paid	(444.33)	(589.10)
Proceed from Issue of Share Capital	-	4,978.13
Dividend paid	-	(131.09)
Dividend Distribution Tax Paid	-	(26.96)
Payment on account of Lease Liability	-	(0.42)
Net Cash (used in) from financing Activities (C)	(3,158.30)	2,018.91

Statement of **Cash Flows** for the period ended March 31, 2021

(Amount in ₹ lakh)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENT	(5,570.81)	(1,945.15)
Opening balance of Cash & Cash equivalents	12,798.97	14,744.12
Closing balance of Cash & cash equivalent	7,228.16	12,798.97
Cash and cash Equivalents comprises		
Cash in Hand	3.97	1.87
Balance with Scheduled Banks		
-In current Accounts	7.82	0.87
-Earmarked Balances with Bank	0.61	0.61
-In Other Fixed Deposit Accounts	7,209.38	12,790.19
-In Fixed Deposit Accounts as Margin Money	6.38	5.43
Total Cash and Cash Equivalents	7,228.16	12,798.97

See accompanying notes to the financial statements

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This is the balance sheet referred to in our report of even date

For **VAPS & Co.**

Firm Reg. No. 003612N

Chartered Accountants

Praveen Kumar Jain

Partner

Membership No. 082515

Place : Delhi

Date : May 4, 2021

For and On Behalf of the Board of Directors of
APOLLO PIPES LIMITED**Sameer Gupta**

Director

DIN-00005209

Ajay Kumar Jain

Chief Financial Officer

Sanjay Gupta

Director

DIN-00233188

Ankit Sharma

Company Secretary

Statement of **Changes in Equity** for the period ended March 31, 2021

(Amount in ₹ lakh)

A. Equity Share Capital

Particulars	Amount
Opening balance as at April 1, 2019	1,198.44
Changes during the year ended March 31, 2020	112.50
Balance as at March 31, 2020	1,310.94
Changes during the Year ended March 31, 2021	-
Balance as at March 31, 2021	1,310.94

B. Other Equity

Particulars	Reserves and Surplus				Other Comprehensive Income		Amount Received Against Share Warrant*	Share Option Out-standing Account	Total
	General Reserve	Retained Earnings	Capital Reserve	Securities Premium Reserve	Equity Instruments through OCI	Remeasurement of defined benefit Plan			
Balance as at April 1, 2019	11.54	6,575.50		11,530.59	6.37	(6.36)	3,665.38		21,783.02
Net Balance as at April 1, 2019	11.54	6,575.50		11,530.59	6.37	(6.36)	3,665.38		21,783.02
Profit for the year	-	2,852.58		-	-	-	-		2,852.58
Other comprehensive income for the year, net of income tax	-	-		-	-	(2.57)	-		(2.57)
Issue of Equity Share (net of Transaction Cost)	-	-		6,525.00	-	-	(1,659.38)		4,865.62
Final Dividend Including Dividend Tax	-	(158.05)		-	-	-	-		(158.05)
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	-	18,055.59	6.37	(8.93)	2,006.00	-	29,340.60
Profit for the year		4,447.43							4,447.43
Other comprehensive income for the year, net of income tax						14.26		-	14.26
Forfeiture of Amount received against share warrants	-	-	2,006	-	-	-	(2,006)	-	-
Compensation cost related to employee share based payment transaction	-	-	-	-	-	-	-	33.52	33.52
Balance as at Mar 31, 2021	11.54	13,717.46	2,006.00	18,055.59	6.37	5.33	-	33.52	33,835.81

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.

(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 40)

(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

1-45

This is the balance sheet referred to in our report of even date

For **VAPS & Co.**

Firm Reg. No. 003612N

Chartered Accountants

Praveen Kumar Jain

Partner

Membership No. 082515

Place : Delhi

Date : May 4, 2021

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

Sameer Gupta

Director

DIN-00005209

Ajay Kumar Jain

Chief Financial Officer

Sanjay Gupta

Director

DIN-00233188

Ankit Sharma

Company Secretary

Notes to 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, 2021 were approved by the Board of Directors and authorized for issue on 04 May 2021.

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 Rupees 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 to 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 to 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 Costs

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

Notes to the Financial Statements

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 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 reposing 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

Notes to the Financial Statements

attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(b) Classification & Subsequent measurement:

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

Notes to the Financial Statements

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.

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

Notes to the Financial Statements

the liability is 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

Notes to the Financial Statements

are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

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 current year

In the current year, the Company has 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 current 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 NCA 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

Notes to the Financial Statements

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 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 development

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are :

Balance Sheet:

(a) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

(b) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

(c) Specified format for disclosure of shareholding of promoters.

(d) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

(e) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

(f) Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

(a) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional Information' in the notes forming part of financial statements.

(b) The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 5 : Property, Plant and Equipment

Particulars	Freehold Land	Buildings	Furniture & Fixtures	Plant & Equipment	Office Equipment	Electrical Installations	Computer	Vehicle	Total
Gross Block									
Balance as at April 1, 2019	3,387.08	2,390.68	125.05	7,050.74	83.79	198.61	101.16	163.53	13,500.64
Additions	-	2,136.46	112.66	1,267.90	14.21	411.61	38.87	77.63	4,059.34
Disposals	-	-	-	27.64	-	-	-	-	27.64
Balance as at March 31, 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
Accumulated Depreciation and Impairment									
Balance as at April 1, 2019	-	693.24	29.01	2,987.67	47.09	67.14	55.92	133.58	4,013.65
Depreciation charge during the year	-	254.63	37.64	740.43	19.81	122.75	33.14	23.81	1,232.21
Deductions	-	-	-	14.89	-	-	-	-	14.89
Balance as at March 31, 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
Net Carrying Value									
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
Balance as at March 31, 2020	3,387.08	3,579.27	171.06	4,577.79	31.10	420.33	50.97	83.77	12,301.37

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 6 : Intangible Assets

Particulars	Software	Goodwill	Total
Gross Block			
Balance as at April 1, 2019	128.80	2,088.03	2,216.83
Additions	3.26	-	3.26
Balance as at March 31, 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
Accumulated amortization & impairment			
Balance as at April 1, 2019	25.01	-	25.01
Amortization Expenses	25.88	-	25.88
Balance as at March 31, 2020	50.89	-	50.89
Amortization Expenses	47.60	-	47.60
Balance as at March 31, 2021	98.49	-	98.49
Net Carrying Value			
Balance as at March 31, 2021	45.43	2,088.03	2,133.46
Balance as at March 31, 2020	81.17	2,088.03	2,169.20

Note 7 : Right to use Asset

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	943.38	-
Reclassified on adoption of IND-AS 116 (see note 32)	-	955.26
Additions	-	-
Deductions	-	-
Depreciation/Amortisation	11.84	11.88
Closing Balance	931.54	943.38

Note 8(a) : Investments

Particulars	Paid Up Value	As at March 31, 2021		As at March 31, 2020	
		Number of Shares	Amount	Number of Shares	Amount
Investment in Equity Instruments at FVOCI					
Unquoted					
APL Infrastructure Pvt Ltd	10 each	27,200	30.54	27,200	30.54
Total		27,200	30.54	27,200	30.54

Note 8(b) : Other Financial Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good:		
Security Deposits	263.23	242.30
Total	263.23	242.30

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 9 : Other Non Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good:		
Indirect Tax Balances/recoverable/credits	3.49	3.49
Indirect Tax Balances paid under protest (see note below)	3.93	5.30
Capital Advances	936.77	226.26
Total	944.19	235.05

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 10 : Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials	3,873.74	3,875.12
Finished Goods/Semi Finished Goods/ Work in Progress	3,281.84	3,613.90
Scrap	112.06	94.43
Stores and Spares	408.24	527.94
Stock in Transit	145.73	132.37
Total	7,821.61	8,243.76

Note :

- (i) The mode of valuation of inventory has been stated in note 2.5 of significant accounting policies.
(ii) Inventory have been pledged as security towards companies borrowings from banks.

Note 11(a) : Investments (Current)

Particulars	Paid Up Value	As at 31.03.2021		Paid Up Value	As at 31.03.2020	
		No. of Shares	Amount		No. of Shares	Amount
A. Investment in Equity Instruments						
I. Quoted-Others (at fair value through OCI)						
Jindal Stainless Steel	10 each	25000	16.90	10 each	25000	6.03
Ampsolar Urja Private Limited	10 each	1950	0.02	-	-	-
Total			16.92			6.03

Note 11(b) : Trade Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
-Related parties	99.33	7.04
-Other than related parties	6,169.74	5,932.46
Total	6,269.07	5,939.50

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 11(c) : Cash & Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
In Current Account	7.82	0.87
Cash in Hand	3.97	1.87
Total	11.79	2.74

Note 11(d) : Earmarked Balances with Bank

Particulars	As at March 31, 2021	As at March 31, 2020
Unclaimed dividend deposited in Bank	0.61	0.61
Total	0.61	0.61

Note 11(e) : Bank Balances other than Cash & Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Balances in fixed deposit accounts with original maturity more than 3 months but less than 12 months	7,209.38	12,790.20
Balances with the Banks to the extent held as margin money or security against the borrowings, guarantees & other commitments	6.38	5.43
Total	7,215.76	12,795.63

Note 11(f) : Loans (Current)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good:		
Loan to Employees	32.60	23.02
Others*	100.00	100.00
Loan to Apollo Pipes Employees Welfare Trust	500.50	-
Total	633.10	123.02

*The Company has gone to National Company Law Tribunal (NCLT) on Dec-2020 to recover the loan given to Kisan Moulding Limited during the acquisition of Manufacturing facilities at Tumkur, hence no interest has been provided on this loan

Note 11(g) : Other Financial Assets (Current)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good:		
Security Deposits	67.66	38.39
Claim receivable	243.68	302.03
Interest accrued but not due on Fixed Deposits with Banks	425.82	464.51
Total	737.16	804.93

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 12 : Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good:		
Prepaid Expenses	59.00	24.98
Advance to Suppliers	1,828.23	498.30
Indirect Tax Balances/recoverable/credits	657.45	797.08
Others	67.60	9.03
Total	2,612.28	1,329.39

Note 13 : Equity Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	Amount	Number of Shares	Amount
Share Capital				
(a) Authorised :				
Equity shares of the par value of ₹ 10/- each	1,65,50,000	165.50	1,65,50,000	1,655.00
(b) Issued and subscribed:				
Outstanding at the end of the year	1,31,09,402	1,310.94	1,31,09,402	1,310.94
	1,31,09,402	1,310.94	1,31,09,402	1,310.94

a) Reconciliation of Number of Shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	1,31,09,402	1,310.94	1,19,84,402	1,198.44
Additions during the year	-	-	11,25,000	112.50
Deletion during the year	-	-	-	-
Balance as at the end of the year	1,31,09,402	1,310.94	1,31,09,402	1,310.94

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:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	% of Shares	Number of Shares	% of Shares
Sameer Gupta	32,24,254	24.59	27,28,778	20.82
Meenakshi Gupta	34,35,746	26.21	32,85,524	25.06

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 14 : Other Equity

Particulars	As at March 31, 2021	As at March 31, 2020
Retained earnings	13,717.46	9,270.03
General reserve	11.54	11.54
Securities premium account	18,055.59	18,055.59
Capital reserve	2,006.00	-
Share option outstanding account	33.52	-
Money Received Against Share Warrant	-	2,006.00
Other comprehensive income	11.70	(2.56)
Total	33,835.81	29,340.60

Note 15 (a) : Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loan from Banks	2,882.24	4,202.57
	2,882.24	4,202.57
Less: Current Maturities of Long Term Debt	1,062.25	1,248.11
	1,819.99	2,954.46
Unsecured		
Loan from Directors	-	-
Loan from Related Parties	-	-
Total	1,819.99	2,954.46

Description of Loan

Secured-

₹ 28.82 Cr. (As at March 31, 2020 ₹ 42.03 Cr.) secured from:

- 1) HDFC Bank Ltd. secured against exclusive charge on immovable property situated at Noida, Corporate office- A-140, Sector 136, Noida, U.P, loan outstanding amounting to ₹ 8.43 Cr. repayable in 12 equal quarterly installments.
 - 2) Axis Bank Ltd. secured against exclusive charge on industrial land, building and all other Fixed Assets purchased through Term Loan Facility at Ahmedabad unit situated at Kochariya Bavla . Loan-1 amounting to ₹ 4.25 Cr. repayable in 6 equal quarterly installments.
 - 3) CITI Bank secured by exclusive Charge on Land & Building and all other Fixed Assets purchased through Term Loan at Tumkur unit situated at Nagenahalli, Kora Hobli, Tumkur and Exclusive Charge on Solar Project at Dadri Plant situated at Dhoom Manikpur, Dadari. Loan-1 amounting to ₹ 3.36 Cr. repayable in 16 equal quarterly installments.
Loan-2 amounting to ₹ 10.17 Cr. repayable in 16 equal quarterly installments.
Loan-3 amounting to ₹ 2.61 Cr. repayable in 16 equal quarterly installments.
- Above mentioned loans are further secured by personal guarantee of Mr. Sameer Gupta and Mr. Sanjay Gupta.

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 15 (b) : Lease Liability

Particulars	As at March 31, 2021	As at March 31, 2020
Leasehold Land	5.62	5.60
Total	5.62	5.60

Note 16 : Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity	131.56	110.01
Total	131.56	110.01

Note 17 : Deferred Tax Assets/ Liabilities (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets		
Provision for Gratuity	34.25	27.73
Merger Expenses	0.82	-
P&L Adjustments	5.64	4.85
OCI Adjustments	15.22	12.72
	55.93	45.30
Deferred Tax Liabilities		
Depreciation	284.28	285.78
Merger Expenses	-	0.56
P&L Adjustments	3.95	0.70
OCI Adjustments	4.75	4.75
	292.98	291.79
Deferred Tax Liabilities(Net)	237.05	246.49

Note 18(a) : Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Loan repayable on demand from Banks(see note below)	3,405.38	4,804.65
Total	3,405.38	4,804.65

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 guarantee of Mr. Sameer Gupta & Mr. Sanjay Gupta.

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 18(b) : Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues to Micro and Small Enterprises (see note 33)	560.83	-
Total outstanding dues to other than Micro and Small Enterprises	4,255.43	6,798.77
Total	4,816.26	6,798.77

Note 18(c) : Other Financial Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Current Maturities of Long Term Debt (see note 15(a))	1,062.25	1,248.11
Security Deposit	5.01	-
Interest accrued but not due on borrowings	29.29	37.58
Employee Benefits Payable	207.02	154.80
Expenses Payable	1,633.78	709.47
Unclaimed Dividend	0.61	0.61
Total	2,937.97	2,150.57

Note 19 : Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity (see note 36)	13.63	13.58
Provision for Compensated Absences	12.00	13.23
Total	25.63	26.81

Note 20 : Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Advances from customers	353.30	305.81
Statutory liabilities	163.81	81.33
Total	517.11	387.14

Note 21 : Current Tax Liabilities (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Taxation	1,677.12	993.77
Less: Advance Tax & TDS	1,295.00	916.61
Current Tax Liabilities (Net)	382.12	77.16

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 22 : Revenue from operations

Particulars	As at March 31, 2021	As at March 31, 2020
Sale of Products		
Finished Goods:		
Within India	49,583.10	39,935.04
Outside India	245.62	270.93
Traded Goods	1,782.50	435.61
Total Sales (A)	51,611.21	40,641.58
Other Operating Revenue:		
Scrap Sale	195.62	143.22
(B)	195.62	143.22
Other Operating Income:		
Export Incentives	-	11.01
(C)	-	11.01
Total (A+B+C)	51,806.83	40,795.81

Note 23 : Other Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income on Fixed Deposits	573.90	1,007.90
Interest income on others	8.90	-
Other Income		
Profit on Sale of Property, Plant & Equipment	-	5.10
Gain on foreign currency transactions (Net)	231.89	-
Gain on Financial Asset measured on FVTPL	10.88	-
Miscellaneous Income	15.58	0.27
Total	841.15	1,013.27

Note 24 : Cost of Materials Consumed

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventories of raw materials at the beginning of the year	3,875.12	2,450.13
Add: Purchases of Raw Material	35,654.17	31,166.16
Less: Inventories of raw materials at the end of the year	(4,069.88)	(3,875.12)
Total	35,459.41	29,741.17

Note 25 : Changes in inventories of finished goods, WIP & stock in trade

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventories at the beginning of the year		
Finished/Semi Finished Goods	3,840.70	2,498.54
(A)	3,840.70	2,498.54
Inventories at the end of the year		
Finished/Semi Finished Goods	3,739.63	3,840.70
(B)	3,739.63	3,840.70
Total (A-B)	101.07	(1,342.16)

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 26 : Employee Benefit Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages & Bonus	2,660.63	2,444.49
Share-based payments to employees	33.52	-
Contribution to provident and other funds	82.45	62.20
Gratuity	37.46	32.59
Compensated Absences	13.91	14.61
Staff welfare expenses	98.18	85.44
Total	2,926.15	2,639.33

"During the year, the Company recognized an amount of ₹ 116.50 lakhs (Year ended March 31, 2020 ₹ 143.74.11 lakhs) as remuneration to key managerial personnel. The details of such remuneration is as below"

- Short term employee benefits	116.50
- Post employment benefits	-
Total	116.50

Note 27 : Financial Costs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense:		
- Term Loan	217.59	196.47
- working capital facilities	181.79	308.66
- Other borrowing cost	36.44	101.30
- On Leases	0.44	0.33
Total	436.26	606.76

Note 28 : Depreciation and amortization

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on Property, plant and equipment (see note 5)	1,703.32	1,232.22
Amortisation on right of use assets (see note 6)	11.84	11.88
Amortisation on intangible assets (see note 7)	47.60	25.88
Total	1,762.76	1,269.98

Note 29 : Other Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Stores & Spares Consumed	983.20	725.60
Bank Charges	17.84	29.11
Rent	30.28	80.90
Rates, Fees & Taxes	35.72	28.92
Testing Charges	25.28	45.46
Insurance Expenses	61.38	36.21

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 29 : Other Expenses (Contd...)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Job Work Charges	100.78	75.24
Security Expense	84.37	63.36
Power & Fuel Expenses	1,417.66	1,284.29
Repair & Maintenance Expenses		
(i) Building	18.84	26.50
(ii) Plant & Machinery	107.76	66.97
(iii) Others	124.38	72.26
Corporate social responsibility (see note 35)	68.40	59.49
Legal & Professional Charges (see note below)	101.71	128.64
Travelling & Conveyance Expenses	176.94	196.91
Communication Expenses	30.61	23.52
Foreign Exchange Fluctuation Loss	-	129.91
Miscellaneous Expenses	54.28	42.89
Bad Debts/Loans & advances written off	0.04	-
Provision for Bad & Doubtful Debts	8.95	-
Advertisement & Publicity	444.98	491.75
Sales Promotion Expenses	49.94	17.68
Other Selling Expenses	155.17	87.66
Freight Outward	1,177.46	925.04
Loss on Financial assets measured at FVTPL	-	4.11
Total	5,275.97	4,642.42

Legal & professional charges include auditor's remuneration as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
To Statutory Auditors		
For Audit (including quarterly reviews)	4.00	3.00
For other services	3.12	1.00
Reimbursement of expenses	0.18	0.76
Total	7.30	4.76

Note 30 : Tax Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income Tax		
Current Tax on profits for the year	1,626.66	993.77
Adjustments for tax of prior periods	-	(16.12)
Total current tax expense (A)	1,626.66	977.65
Deferred Tax		
(Decrease) / increase in deferred tax liabilities	(6.93)	(58.56)
Total deferred tax expense/(benefit) (B)	(6.93)	(58.56)
Total	1,619.73	919.09

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Reconciliation of Tax expense and the accounting profit multiplied by India's Tax Rate for the year ended March 31, 2021:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before Income Tax expenses	6,067.16	3,771.66
Enacted Tax Rates in India	25.17%	25.17%
Computed Expected Income Tax Expense	1,526.98	949.25
Effect of Expenses Disallowed	488.51	354.46
Deduction	(586.46)	(563.61)
Others	197.63	253.67
Effect of prior period tax	1,626.66	993.77
Income tax expense recognized in statement of profit and loss	1,626.66	993.77

Note 31 : Earnings Per Share

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Basic		
Profit for the year attributable to owners of the company (Amount in ₹)	44,48,01,180	28,52,56,554
Weighted average number of equity Shares outstanding at the beginning of the year	1,31,06,328	1,19,84,402
Add: Weighted average number of shares issued during the year	-	11,21,926
Weighted Average number of equity shares used to compute basic earning per share	1,31,06,328	1,31,06,328
Basic Earnings per share of ₹ 10/- each (March 31,2020: ₹ 10/- each)	33.93	21.76
b) Diluted		
Profit for the year attributable to owners of the company (Amount in ₹)	44,48,01,180	28,52,56,554
Weighted average number of equity shares of ₹ 10/- each (March 31,2020: ₹ 10/- each) outstanding at the end of the year	1,31,06,328	1,44,69,402
Diluted Earnings Per share of ₹ 10/- each (March 31,2020: ₹ 10/- each)	33.93	19.71

The company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.

Note : 32 Transition to IND AS 116

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019. On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹943.38 lacs and a lease liability of ₹5.60 lacs. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	-	-
Reclassified on adoption of Ind AS 116	943.38	955.26
Additions	-	-
Deletions	-	-
Depreciation	11.84	11.88
Closing Balance	931.54	943.38

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2021:

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liability	-	-
Non-current lease liability	5.62	5.60
Total	5.62	5.60

The following is the movement in lease liabilities during the year ended March 31, 2021

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance as at the beginning	5.60	-
Additions	-	5.70
Finance Cost accrued during the period	0.44	0.33
Deletions	-	-
Payment of lease liabilities	0.42	0.42
Balance as at the end	5.62	5.60

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	0.42	0.42
One to five years	2.11	2.11
More than five years	228.40	228.82
Total	230.93	231.35

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 ₹ 35,72,218 for the year ended March 31, 2021.

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

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, 2021	As at March 31, 2020
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

The Corporate Social Responsibility (CSR) obligation for the year as computed by the Company and relied upon by the auditors is ₹ 68.40 lakh (for the year ended March 31, 2020: ₹ 59.49 lakh.) CSR amount spent during the year is ₹ 128.48 Lakhs (For the year ended March 31, 2020: Nil)

Note 36: Employee Benefits Plan

(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.

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, 2021	For the year ended March 31, 2020
Employer's Contribution to Provident Fund	82.45	62.20

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Included in 'Contribution to provident and other funds' under Employee Benefits Expense (Refer Note 26)

(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, 2021 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, 2021	For the year ended March 31, 2020
Present value of obligation as at the beginning of the period	123.58	83.50
Acquisition adjustment	-	-
Interest cost	8.40	6.40
Service cost	29.06	26.20
Past service cost including curtailment Gains/ Losses	-	-
Benefits paid	(4.10)	(2.45)
Total Actuarial (Gain)/Loss on obligation	(11.76)	9.94
Present value of obligation as at the end of period	145.19	123.58

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

(ii) Liabilities recognized in the Balance Sheet

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net defined benefit liability at the start of the period	123.58	83.50
Acquisition Adjustment	-	-
Total Service Cost	29.06	26.20
Net Interest cost (Income)	8.40	6.40
Re-measurements	(11.76)	9.94
Contribution paid to the fund	-	-
Benefit paid directly by the enterprise	(4.10)	(2.45)
Net defined benefit liability at the end of the period	145.19	123.58
Net Asset/(Liability) recognized in Balance Sheet	145.19	123.58
Recognized Under :		
Short Term Provision	13.63	13.58
Long Term Provision	131.56	110.01
Total	145.19	123.59

(iii) Expense recognized in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Total service cost	29.06	26.20
Interest cost	8.40	6.40
Expenses recognized in the Statement of Profit & Losses	37.46	32.59

(iv) Other Comprehensive Income (OCI)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net cumulative unrecognized actuarial gain/ (loss) opening	-	-
Actuarial gain/ (loss) for the year on PBO	11.76	(9.94)
Actuarial gain/ (loss) for the year on Assets	-	-
Unrecognized actuarial gain/ (loss) for the year	11.76	(9.94)

(v) Principal Actuarial assumptions

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount Rate per annum	6.80%	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]

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

(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, 2021	For the year ended March 31, 2020
(a) Impact of the Change in Discount Rate		
Present Value of Obligation at the end of the period	145.19	123.58
Increased by 0.50%	(8.30)	(7.19)
Decreased by 0.50%	9.13	7.93
(b) Impact of the Change in Salary Increase		
Present Value of Obligation at the end of the period	123.58	123.58
Increased by 0.50%	9.20	8.00
Decreased by 0.50%	(8.44)	(7.31)

(vi) 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, 2021	For the year ended March 31, 2020
Less than a year	13.63	13.57
Between 1-2 years	4.90	3.61
Between 2-3 years	2.62	4.20
Between 3-4 years	3.32	2.42
Between 4-5 years	3.38	2.60
Between 5-6 years	4.32	3.31
More than 6 years	113.01	93.87
Total	145.19	123.58

Note 37 : Contingent Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
(1) Disputed claims/levies in respect of Sales Tax:		
- Reversal of input tax credit	-	28.79
- Regular Assessment Order passed (Ex parte)	421.65	669.46
	421.65	698.25
(2) Disputed claims/levies in respect of Excise Duty:		
- Availability of input credit	-	1.35
	-	1.35
(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 GST Act:		
- Statutory forms	-	7.82
	-	7.82
(5) Disputed claims/levies in respect of Income Tax	6.75	6.75
Total	432.31	718.08
Less: Paid	-	7.82
Total (Net)	432.31	710.26

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

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 38 : Capital & other commitments

Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ Nil (31 March, 2020: ₹ Nil)

"Note 39 : Information on Related Party Transactions as required by Ind AS 24 - 'Related Party Disclosures' for the year ended March 31, 2021

Details of related parties:

a) Key Managerial Personnel:

Name	Designation
Mr. Sameer Gupta	Managing Director
Mr. Sanjay Gupta	Director Non Executive
Mr. Saket Aggarwal	Director Non Executive
Mr. Ajay Kumar Jain	Chief Financial Officer
Mr. Anand Kumar Pandey*	Company Secretary
Mr. Ankit Sharma	Company Secretary

* Mr. Anand Kumar Pandey has relinquished office on 30-Jun-2019

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
 Best Steel Solutions Private Limited
 M/S Shree Ganesh Steel Tubes

Transactions with Related Parties

Particulars	Relationship	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of Goods			
APL Apollo Tubes Limited	Entity having Significant Influence	269.84	357.58
Apollo Metalex Private Limited	Entity having Significant Influence	137.24	170.64
Apollo Tricoat Tubes Limited	Entity having Significant Influence	0.62	7.04
M/s Shree Ganesh Steel Tubes	Entity having Significant Influence	28.38	
Sale of Property, Plant & Equipment			
Apollo Metalex Private Limited	Entity having Significant Influence	-	14.00
Purchase of License			
APL Apollo Tubes Limited	Entity having Significant Influence	183.46	41.21
Apollo Metalex Private Limited	Entity having Significant Influence	48.27	-

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Particulars	Relationship	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of Goods			
APL Apollo Tubes Limited	Entity having Significant Influence	97.62	96.49
Best Steel Solution Private Limited	Entity having Significant Influence	10.92	-
Employee Benefit Expenses			
Mr. Ajay Kumar Jain	Key Managerial Personnel	19.91	18.28
Mr. Anand Kumar Pandey	Key Managerial Personnel	-	1.84
Mr. Ankit Sharma	Key Managerial Personnel	8.69	5.58
Reimbursement of Expenses			
Mr. Ajay Kumar Jain	Key Managerial Personnel	5.87	5.42
Director Remuneration			
Mr. Sameer Gupta	Key Managerial Personnel	116.50	120.00
Share based payments			
Mr. Sameer Gupta	Key Managerial Personnel	-	4,978.13
Repayment of Loans/Advances given			
Mr. Ajay Kumar Jain	Key Managerial Personnel	2.4	4.00
Rent Expense			
Mrs. Saroj Rani Gupta	Relatives of Key Managerial Personnel	3.00	54.75
Rent Income			
APL Apollo Tubes Limited	Entity having Significant Influence	14.7	-
Balance Outstanding at the end of Accounting Year			
Trade Receivables			
APL Apollo Tubes Limited	Entity having Significant Influence	81.26	-
Apollo Metalex Private Limited	Entity having Significant Influence	18.08	6.50
Apollo Tricoat Tubes Limited	Entity having Significant Influence	-	0.54
Trade Payables			
APL Apollo Tubes Limited	Entity having Significant Influence	69.76	30.04
Best Steel Solution Private Limited	Entity having Significant Influence	10.92	-
Loans/Advances (Net of Receipts & Payments)			
Sameer Gupta	Key Managerial Personnel	-	-
Ajay Kumar Jain	Key Managerial Personnel	4.60	7.00

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 40 : Financial Instruments

(a) Employee Share Option Plan:

- i) The ESOS scheme titled "Employee Stock Option Scheme 2020" (ESOS 2020) was approved by the shareholders through postal ballot on 21 April 2020. 91,400 options are covered under the Scheme for 91,400 Equity shares.
- ii) 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 INR 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	₹498.00	₹735.55

(c) Fair value option granted

The weighted average fair value of the share options granted during the current financial year is INR 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%

(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, 2021
Balance at the beginning of the year	-
Granted during the year	91,400
Vested during the year	-
Lapsed during the year	5,200#
Forfeited during the year	-
Exercised during the year	-
Expired during the year	-
Options outstanding at the end of the year	86,200

#As at 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 INR 33.68 Lacs.

(g) No option expired during the year.

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 41 : Financial Instruments**Financial Instruments by Category**

Particulars	As at 31-March-21			As at 31-March-20		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
Investments	16.90	30.54	-	6.03	30.54	-
Trade receivable	-	-	6,269.07	-	-	5,939.50
Cash and Bank Balances	-	-	7,227.55	-	-	12,798.37
Loans	-	-	633.10	-	-	123.02
Other Financial Assets	-	-	1,000.39	-	-	1,047.23
Total Financial Assets	16.90	30.54	15,130.10	6.03	30.54	19,908.12
Financial Liabilities						
Borrowings	-	-	5,225.37	-	-	7,759.11
Trade Payables	-	-	4,816.26	-	-	6,798.77
Other Financial Liabilities	-	-	2,937.97	-	-	2,937.97
Total Financial Liabilities	-	-	12,979.60	-	-	17,495.85

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 31-March-21	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
As at 31-March-20	Level 1	Level 2	Level 3
Financial Assets			
Financial Investments at FVTPL			
Quoted equity instruments	6.03	-	-
Financial Investments at FVOCI			
Unquoted equity instruments	-	-	30.54
Total Financial Assets	6.03	-	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

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

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 42 : COVID-19

Due to COVID-19 outbreak in FY 2019-2020 the Company had closed all its manufacturing plants and offices with effect from March 24, 2020 following countrywide lockdown and restarted operations after obtaining necessary approvals adhering to the safety norms prescribed by the Government of India.

For FY 2020-2021 the Company has assessed the impact of Covid-19 pandemic on its business operations and has considered relevant internal and external information available up to the date of approval of these results, in determination of the recoverability and carrying value of property, plant and equipment, inventories, and trade receivables. Based on current assessments and estimates, the Company does not envisage any impact on the realisation of current assets. The Company will continue to closely monitor any material changes to future economic conditions.

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 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 favorable 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.

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

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, 2021	As at March 31, 2020
USD in lakh	Buy	89.01	49.94
Equivalent amount in Rupees in lakh	Buy	6,542.72	3,778.96

(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, 2021	As at March 31, 2020
Payables:		
USD in lakh	0.53	20.15
Equivalent amount in Rupees in lakh	38.90	1,468.40
Receivables:		
USD in lakh	-	0.002
Equivalent amount in Rupees in lakh	-	0.15
Advance paid to vendors:		
USD in lakh	16.91	2.00
Equivalent amount in Rupees in lakh	1,243.28	143.96
Advance Received from Customers:		
USD in lakh	0.144	-
Equivalent amount in Rupees in lakh	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 ₹ 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 ₹.

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	3,405.38	4,804.65
Fixed rate borrowings	2,882.24	4,202.57
Total borrowings	6,287.62	9,007.22

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, 2021		
Bank overdrafts, bank loans, Cash Credit	3,405.38	54.16%
As at March 31, 2020		
Bank overdrafts, bank loans, Cash Credit	4,804.65	53.34%

Notes to the Financial Statements

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

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, 2021	Year ended March 31, 2020
Interest rates – increase by 50 basis points (50 bps) *	(12.43)	(17.03)
Interest rates – decrease by 50 basis points (50 bps) *	12.43	(17.03)

(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, 2021				
Borrowings	3,405.38	1,819.99	-	5,225.37
Interest accrued but not due on borrowings	29.29	-	-	58.59
Trade Payables	4,816.26	-	-	4,816.26
Others	-	-	-	-
Total non-derivative liabilities	8,250.92	1,819.99	-	10,100.21
As at March 31, 2020				
Borrowings	4,804.65	2,954.46	-	7,759.11
Interest accrued but not due on borrowings	37.58	-	-	37.58
Trade Payables	6,798.77	-	-	6,798.77
Others	-	-	-	-
Total non-derivative liabilities	11,641.00	2,954.46	-	14,595.46

Notes to the **Financial Statements**

(All amounts are in ₹ Lakh, except share data and where otherwise stated)

Note 44: 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, 2021	As at March 31, 2020
Non current borrowings	1,819.99	2,954.46
Current maturities of non current borrowings	1,062.25	1,248.11
Current borrowings	3,405.38	4,804.65
Less: Cash and cash equivalents	11.79	2.74
Less: Bank balances other than cash and cash equivalents	7,215.76	12,795.63
Total Debts	(939.93)	(3,791.15)
Total Equity	30,651.54	22,981.46
Gearing Ratio	(0.03)	(0.16)

Equity includes all capital and reserves of the Company that are managed as capital.

(b) Dividends

Particulars	As at March 31, 2021	As at March 31, 2020
Final dividend for the year ended March 31, 2021 of ₹ Nil (March 31, 2020 - ₹ Nil)	-	-
Dividend not recognised at the end of the reporting	-	-
Dividend distribution tax	-	-

The board of directors did not recommended any dividend for the year ended March 31, 2021

Note 45: Previous year figures have been recasted, re-grouped and reclassified, wherever necessary to confirm to the current year classification.

This is the balance sheet referred to in our report of even date

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

Praveen Kumar Jain
Partner
Membership No. 082515

Place : Delhi
Date : May 4, 2021

For and On Behalf of the Board

Sameer Gupta
Director
DIN-00005209

Ajay Kumar Jain
Chief Financial Officer

Sanjay Gupta
Director
DIN-00233188

Ankit Sharma
Company Secretary

NOTE

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APOLLO PIPES LIMITED

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