



POWERING AMBITION

APOLLO PIPES LIMITED
ANNUAL REPORT 2022-23

FY23 IN NUMBERS

66,567

Sales volumes (MT)

915

Revenue from Operations (₹ Crore)

68

EBITDA (₹ Crore)

24

Net Profit (₹ Crore)

69

Cash Flow from Operations (₹ Crore)

7%

EBITDA Margin

8.7%

Return on Capital Employed

56

Net Working Capital days

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Nothing truly great happens in this world without an ambition because ambition reflects the kind of success you will attract.

It defines the path. It infuses energy. It pushes performance. It amplifies respect, and drives the institution into a new orbit.

At Apollo Pipes, fuelled by our passion and supported by our strengths, we have contoured a roadmap which is summed in two simple words – POWERING AMBITION.

Powering Ambition sets out our strategy to accelerate the transition of our business to feature among the Top 3 players in our business space. It is designed to elevate the quality of our business.

Powering Progress has one primary goal in support of our purpose, to power progress together by providing more and superior solutions. It is underpinned by our financial strength, our innovation zeal and our expanding reach. It aims to create enhanced value for all our stakeholders.

We have drawn up an ambitious capacity augmentation plan which is the largest in our history this far.

₹ 500 Crore

This is more than 7x of our Cash Flow from Operations in FY23.

And we will not take a single rupee of debt to fund our most ambitious capacity augmentation programme.



Our installed capacity will leapfrog from 136,000 TPA to 286,000 TPA in the next 3- 4 years.

Current capacity:
136,000 ton

ONGOING EXPANSION		CAPEX
Dadri-2 (Greenfield)	Dadri-I & Tumkur (Brownfield)	₹100 Crore
25,000 Ton		

Total capacity:
286,000 ton
in 3-4 years

FUTURE EXPANSION			CAPEX
125,000 Ton			₹400 Crore
West	South	East	



When fully operational, our capex has the potential to generate ₹1,400 Crore in additional revenue.

The Chairman's Statement



I am delighted to mention that we are more than doubling our operating capacity through brownfield expansions and greenfield facilities to strengthen our manufacturing presence pan-India.

Dear Shareholders,

This is my first communication with all of you as the Chairman of the Board of Directors at Apollo Pipes, a baton I took over from my distinguished predecessor, Mr. Sanjay Gupta. On behalf of all of you, I take this opportunity to express my appreciation and gratitude for the stellar guidance and direction Mr. Gupta has provided to the organisation. He has been an integral part of the Board and a strong force in propelling your Company into a league of its own.

Apollo Pipes has always stood out as a brand that has been steadfast in delivering value to its stakeholders. Our relentless pursuit has helped us deliver yet another healthy performance in the face of considerable upheavals.

Fiscal 2023 has been fraught with challenges. Our journey through the months was shaped by the evolving global and Indian economic landscapes, which were considerably intense.

The year started with a sense of optimism. But that abruptly reversed as the Russia-Ukraine crisis unleashed a wave of uncertainties resulting in disruptions in the supply chain, surging commodity prices, heightened inflationary pressures, and escalating interest rates. The fallout of this humanitarian crisis was experienced across sectors. For some business spaces, the adversities were ominously intense.

Notwithstanding the extreme price volatility in PVC prices, we reported a very satisfying performance. What stands out are our volumes and financial performances. These facts suggest two promising positives that highlight our potential in the future 1) Our business strategy about capacity creation, product development and distribution widening and branding is working well, and 2) Our unwavering focus on pursuing value-accretive growth opportunities has worked well.

For taking our progress ahead, we have drawn the contours of an ambitious blueprint to be executed over the next 3-4 years. We are establishing newer capacities and increasing the adoption of newer technologies to make them more value-efficient.

Our powering ambition is platformed on a resurging India that is moving with speed to occupying its rightful position in the global pecking order.

With the economy at US\$3.75 tr, India is only at an arm's length away from the once aspirational US\$ 5 tr milestone. The estimated four-year journey to reach this number will create immense opportunities across sectors. India would open its doors wider for global enterprises and investments. India's move towards emerging as a developed nation will gather more steam.

Real estate will be a key beneficiary of India's economic progress. The flurry of activity in the real estate sector is palpable. It's happening in urban and semi-urban areas in equal measure. Experts suggest that the sector is just at the bottom of the J-curve with considerable growth potential over the medium term. Demand for our products will scale significantly.

I am delighted to mention that we are more than doubling our operating capacity through brownfield expansions and greenfield facilities to strengthen our manufacturing presence pan-India. Equity infusion and internal cash generation will fund the estimated capital investment. In addition to increasing volumes, this initiative promises to enhance the share of value-added products in our revenue mix, enabling us to deliver superior returns to all our stakeholders. With the commissioning of these facilities, we will increase our market share and position.

As we grow further, we will maintain a razor-sharp focus on the quality of growth. We will work ardently on reducing our burden, optimising resource consumption, inculcating circularity in our operations and reducing our carbon footprint.

I thank the Board for their guidance in formulating the Company's blueprint. I must also thank our stakeholders, employees, lenders, shareholders, government and society at large, for their continued support and license to operate, which has translated into a smooth multi-location operation across different regions. I solicit your continued support.

Warm regards,
Sameer Gupta
Chairman

About Apollo Pipes

We are
among the
Top 7 leading
PVC pipes
manufacturers
in India.

A reputed company of the PVC pipes industry with a strong presence in domestic markets –Apollo Pipes has nurtured strong brand equity in the markets of its presence. It has established an entrenched distribution network comprising 700+ channel partners.

Headquartered in Noida, the Company has a Pan-India manufacturing presence with facilities at Dadri and Sikandrabad (Uttar Pradesh), Ahmedabad (Gujarat), Tumkur (Karnataka) and Raipur (Chhattisgarh) accounting for a total annual capacity of 136,000 MT.

Headed by Mr Sameer Gupta as Chairman and Managing Director, the Company's day-to-day operations are managed by a team of energetic and enthusiastic professionals.

The Company's equity is listed on the BSE and National Stock Exchange.

Our Sectors of presence and focus



Agriculture Segment

- Casing pipes
- Drip irrigation &
- Sprinkler system
- Bore well pipes



Water Management Segment

- Hot and cold potable water Distribution & transportation
- Residential, commercial Installations



Construction Segment

- Sanitation & Sewage pipes
- Plumbing Pipes



Oil & Gas Segment

- Conveying edible oils and chemicals & corrosive fluids



Telecom Ducting

PRODUCT PORTFOLIO

The Company's vast product portfolio includes a range of 1600+ SKUs of cPVC, uPVC and HDPE pipes, water storage tanks, PVC taps, fittings and solvents of top-notch quality. The product basket is the most versatile with pipes ranging from 15mm to 400mm diameter and serve various industries such as Agriculture, Water Management, Construction, Infrastructure and Telecom ducting segments.

Plumbing



CPVC Plumbing System



uPVC Plumbing System



PPR-C Plumbing System

Agriculture



uPVC Pressure Pipes & Fittings



HDPE Pipes & Coils



HDPE Sprinkler System

Sewerage



uPVC SWR Drainage System



Under ground
Drainage Pipes

Borwell System



uPVC column Pipes



Casing Pipes

Water Tanks



Water Tanks

Solvent Cement



Solvent Cement

Home solutions



Kitchen Sink

Bath Fittings



Faucets



Showers



Health Faucets



Cistern



Seat Covers



Allied Products



Accessories

5

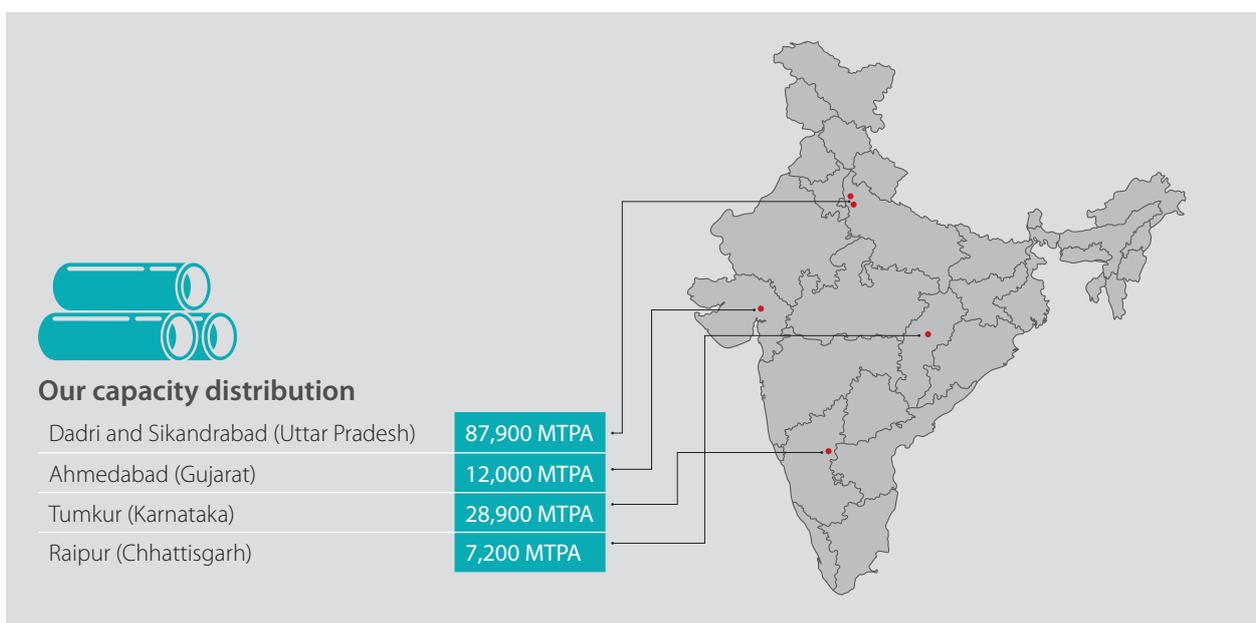
**THINGS YOU
NEED TO
KNOW ABOUT
APOLLO PIPES**

1) Intelligent capacity building

Over the last decade, Apollo Pipes has consistently invested in capacity building. The Company's capital investment strategy has been to create manufacturing facilities proximate to key consuming markets to reach market self-space faster and cost effectively. Even as the Company widened its manufacturing footprint from North to West then South and now East, it continued to expand capacities at existing facilities. In the last five years, the Company has invested more than ₹285 Crore in capacity augmentation.

Our capacity creation journey

Year	Capacity building initiative	Capacity (TPA)
2016	First in North India to install 900 kg/hr PVC extrusion line expanded capacity by 10,000 MTPA , taking the total available capacity to 50,000 MTPA	50,000
2017	Installed capacity of mounding division enhanced to 2,700 MTPA emerged as the largest plastic piping solution company	53,000
2018	Purchase of Land with Building in Noida to develop the Apollo Pipes Corporate Office, Introduction of a Brand -new product range of premium plastic faucets, tapes, showers & accessories	60,000
2019	Concluded promoters infusion of ₹142 Crore through issuance of equity shares and fully convertible warrants on preferential basis.	63,000
2020	Concluded the strategic acquisition of Kisan Moulding Ltd, manufacturing unit in Bengaluru Listed Company's whose shares are listed on NSE.	84,000
2021	Capacity Enhanced to 1,18,000 MTPA.	1,18,000
2022	Greenfield facility at Raipur was commissioned	1,25,200
2023	PPR-c Plumbing product range introduced and capacity enhanced to 1,36,000 MTPA.	1,36,000



2) Product Portfolio

Apollo Pipes is in a me-too business space where growing the customers’ wallet share is a key to success. Hence, it became mandatory to develop every product on the customers purchase list to ensure that their visit to retailers translated into business for the shop owners, our dealers and us. Understanding this reality, we got down to the drawing board to draw our product widening strategy.

We widened our range of fittings, adding more than 50 Stock Keeping Units (SKUs) every year for the last four years. We created a large portfolio of Plastic Taps, Showers and Faucets. We further widened this range with cisterns and WC seats. We added solvents to our product list and followed this up with Water Tanks. Moreover, over the years, we widened the range under each category. In FY23, we introduced the PPR-C plumbing product range which has received an encouraging customers and channel response.

In doing so, revenue from non-pipe products increased from ₹40 Crore in FY18 to ₹218 Crore in FY23; their contribution to the Company’s topline jumped from 14% to 24% over the same period.

1,800
SKUs
We offer the widest range of pipes in India

	Commercial production started	SKUs in 2021-22	SKUs in 2022-23
Pipe Fittings	2012	851	997
Plastic Taps, Showers	2020	239	313
Solvents	2019	23	23
Water Tanks	2020	87	99
PPR-C range	2022	25	168



3) Distribution network

Every building and every farm across the Indian landmass is a growth prospect for the business. For it requires pipes for water management and waste water management (in the case of buildings). With the rapid growth of real estate development (in all asset classes), the demand for pipes is mushrooming from across pin codes. To capitalise on emerging opportunities, it is absolutely essential to be proximate to consuming markets.

Over the years, Apollo Pipes has patiently built a robust dealer base that allows it to serve demand emerging from every pocket of India. It has done so intelligently by creating dealers and hence, demand and subsequently setting up a manufacturing unit which helps the plant in achieving optimum utilisation with speed. The Company connects and engages with its entire dealer base frequently to seek knowledge on ground realities and emerging trends; its R&D schemes motivate the dealers to enhance their business productivity.

700

Dealer base as on
March 31, 2023



4) Branding

In a cluttered business space where product differentiation is marginal at best and cost emerges as the key deciding factor, it becomes critical to showcase to the world the intangible value your products offer because when you do that, you shift the mind from cost to value (quality and longevity). The multi-decade old Indian saying 'Joh dikhta hai, woh bikta hai' holds true even today.

Aligning to this reality, we drew out a compelling narrative which was communicated to the world by youth-icons who exude the same attributes as our products. We grabbed eyeballs and gained appreciable mileage through this strategic initiative. Interestingly, we were among the first to on-board Bollywood celebrities as brand ambassadors for our products.

₹14 Crore
Investment in branding efforts in the last three years

Tiger Shroff Appointed as Brand Ambassador

Social Media campaign launched in Q3FY22 continue to garner good response

Water Tank (On Apollo Platform)	8.8 Million Views	4.7 Million Views	8.2 Million Views
Pipes (On Apollo Platform)	11.4 Million Views	5.4 Million Views	8.7 Million Views

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

TV Commercial launched on May 2, 2022

Regional language ads launched in June which also garnered good response

Watch the commercials: [Link](#) | [Link 2](#)

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Ravenna Tandon Appointed as Brand Ambassador

Social Media campaign launched in Q3FY22 continue to garner good response

Bath Fitting (On Ravenna's Platform)	4.8 Million Followers	8.3 Million Followers
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Digital Campaign, Packaging promotions etc.

#Amazing Everyday
12

5) Robust financials

To sustain healthy growth, large investments become a pressing mandate which in turn generate healthy returns and strong cash flow.

Apollo Pipes' astute fund management and capital allocation strategy has helped it sustain investments in capacity, capability and brand building which has generated appreciable cash flow to deleverage the organisation subsequently.

Despite massive capital allocation to capital projects over the last 5-7 years, the Company has been able to achieve an abysmally low debt-equity ratio of 0.02 as on March 31, 2023. This augurs well for the Company, as it sets a robust platform to invest in further capital-intensive projects aligned to its powering ambitions.

₹ 69 Crore
Net cash flow from
business operations in
FY23



OUR BUSINESS GROWTH

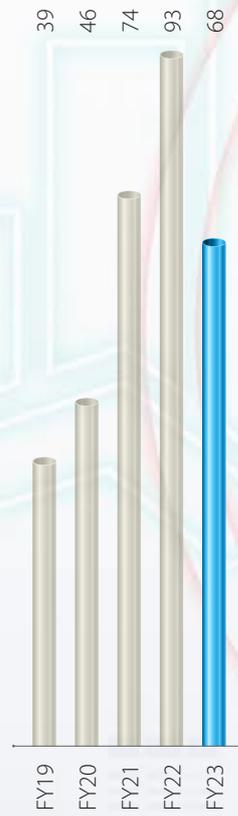
Sales volume (MT)



Total Revenue (₹Crore)



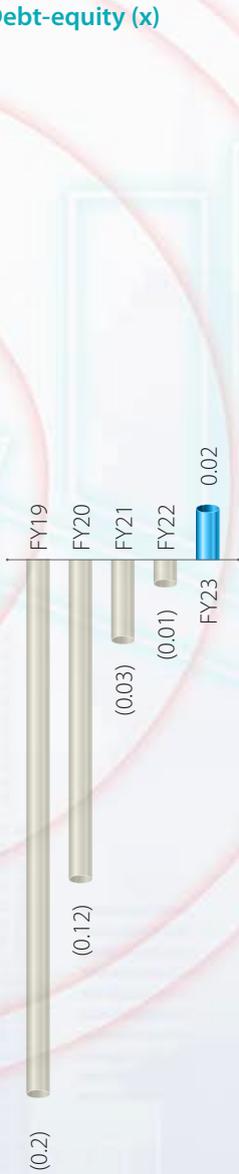
EBITDA (₹ Crore)



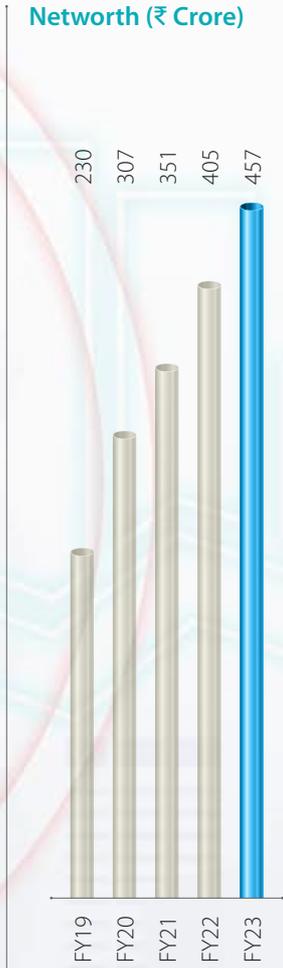
Profit after tax (₹ Crore)



Debt-equity (x)



Networth (₹ Crore)



Earnings per share (₹)



Book Value per share (₹)



HOW THE YEAR UNFOLDED

In a difficult year, we reported an appreciable performance. Our sales volumes scaled and our revenue from operations increased. Our profits and profitability took a hit owing to inflationary headwinds resulting in a surge in input prices.

FIRST QUARTER

14,406

Sales volume (MT)

219

Revenue from Operations (₹ Crore)

20

EBITDA (₹ Crore)

9

Net Profit (₹ Crore)

9.2

EBITDA Margin (%)

14.9

Return on Capital Employed (%)

Management commentary: We have reported a robust performance Y-o-Y during the quarter albeit on a lower base. Our sales volume increased by 38% YoY to 14,406 tons driven by a healthy contribution from the cPVC, HDPE pipe and value-added product segment of Fittings. The Q-o-Q performance was impacted because the industry witnessed channel de-stocking due to correction in global PVC prices. The company incurred a capex of ₹36 Crore towards enhancement of capacities, debottlenecking and adding balancing equipment majorly into cPVC, HDPE pipes and fittings.

SECOND QUARTER

15,465

Sales volume (MT)

207

Revenue from Operations (₹ Crore)

2

EBITDA (₹ Crore)

(5)

Net Profit/(loss) (₹ Crore)

1.2

EBITDA Margin (%)

10.4

Return on Capital Employed (%)

Management commentary: The financial results for the quarter had an adverse impact due to sharp correction in PVC prices, against higher price inventory of raw material and finished crudes. The silver lining is that the correction in commodity rates improved demand from consumers across segments. We continue to make strong inroads across cPVC, HDPE pipe and value-added product segment to report a sales volume growth of 7% YoY to 15,465 tons. The PVC scenario remains challenging with the continuous influx of lower cost imports.

THIRD QUARTER

18,011

Sales volume (MT)

237

Revenue from Operations (₹ Crore)

18

EBITDA (₹ Crore)

5

Net Profit (₹ Crore)

6.8

EBITDA Margin (%)

8.9

Return on Capital Employed (%)

Management commentary: The financial results for the quarter followed a sluggish quarter (Q2) due to sharp correction in PVC prices. We were resilient with significant improvement backed by improved demand from consumers across segments. We continue to make strong inroads across cPVC, HDPE pipe and value-added product segment to report a sales volume growth of 44% YoY to 18,011 tons. We continue to keep a strong focus on value-added products on the building products side, which is gaining considerable traction.

FOURTH QUARTER

18,685

Sales volume (MT)

252

Revenue from Operations (₹ Crore)

29

EBITDA (₹ Crore)

15

Net Profit (₹ Crore)

11.7

EBITDA Margin (%)

8.2

Return on Capital Employed (%)

Management commentary: We have reported a strong performance with our sales volume growing by 14% YoY to 18,685 tons on the back of resilient operational improvement and improved demand from consumers across segments. We continue to make strong inroads across cPVC, HDPE pipe and value-added product segment. We aim to utilise our capacity optimally over the coming years which will help augment sales volumes, going ahead.

In conversation with
Mr. Arun Agarwal,
Joint Managing Director,
Apollo Pipes Limited



We are reasonably optimistic about the prospects in the current year (FY24). We hope to carry forward the momentum we achieved in the last quarter of FY23 into the current year.

Q Were you satisfied with the Company's performance in FY23?

Considering the upheavals we were challenged with, I am satisfied with the team's performance. At the start of the fiscal, we agreed on two goals – sales volumes and topline. I am delighted that we surpassed our sales volume target by an appreciable margin. On the topline, we fell short by some margin which was expected owing to the unprecedented volatility in PVC prices.

Q What factors led to the jump in volumes?

The growth in sales volumes and topline was very pleasing. It happened despite destocking by the distribution channel (owing to PVC price volatility) for the year's first half.

Growth in volumes happened due to our capacities' full-scale operations in Tumkur and Raipur, which were commissioned towards the latter half of FY22. We made visible inroads into the proximate market as our time to reach the dealer shelves dropped considerably. Our other units also upped their operational efficiency, contributing to volume growth.

Consequently, we registered decent growth at the topline although an increased traction for our products, auguring well for the Company's growth aspirations.

Q The operating margins have slipped quite a bit. Could you share the primary reasons for the same?

There were essentially two reasons for the drop in margins. First, the continued drop in PVC pricing adversely impacted margins. Second, during these trying times, a large part of our volumes went to the agricultural user segment, a low-margin product.

Q How are you correcting the slide in the margins?

We continue to focus on strengthening our presence in the building products space, which is margin-accretive. In FY23, we invested ₹71 Crore for augmenting capacities, debottlenecking and adding balancing equipment majorly into cPVC, HDPE pipes and fittings (value-added products).

From a product development perspective, we continued to populate our product offering to the building product segment with a broader array of products and variants to cater to a more extensive customer base.

Q Last year you made a substantial investment in beefing up your IT solutions. How did you take this priority ahead in FY23?

In today's day and age, Information Technology (IT) is the backbone of business operations. No enterprise can function without it, especially multi-locational business. We continued from where we left off. We strengthened our customer management piece with new solutions which facilitate both-side communication. We deployed numerous IT solutions, strengthening our internal processes at our facilities and establishments, inculcating efficiencies in our systems and processes will only enhance our people's productivity and business efficiency.

Q Entering into FY24, what are your key priorities?

We realise the real estate sector is at the cusp of a multi-year growth cycle. This will happen due to India's economic stability and progressive policies and announcements attracting global conglomerates and enterprises to establish their presence in India. When that happens, demand for our products should surge northwards. Green shoots of this theory are already visible. We are preparing for this upsurge. We plan to enhance capacities through brownfield and greenfield initiatives pan-India. Detailing this strategic initiative and getting it on the ground would be our primary priority for FY24.

Q Are you planning to set up greenfield units?

Yes. Our plan includes setting up greenfield units in North, South, East & West. This strategy will allow us to entrench our presence across the Indian landmass to capitalise on opportunities emerging in the Plastic Industry.

Q How are you planning to fund the planned investments?

The estimated project cost is set at ₹500 Crore. We will fund the investment through equity infusion and internal cash generation. Our capacities will be commissioned in a phased manner which will progressively shore our cash generation capability to fund subsequent capex plans. This return-accretive strategy should improve our wealth creation capability for all our stakeholders.

Q What are your growth estimates for the current year?

We are reasonably optimistic about the prospects in the current year (FY24). We hope to carry forward the momentum we achieved in the last quarter of FY23 into the current year. Barring unforeseen headwinds, we should be able to report a healthy double-digit growth at the topline and bottomline.





MANAGEMENT DISCUSSION & ANALYSIS

The Economic Review

Global Economy

Challenges & Performance: The global economy displayed considerable resilience reporting a GDP growth of 3.4% (as reported by IMF) despite extreme volatility and uncertainty prevailing worldwide.

The global fight against inflation, Russia's war in Ukraine, a resurgence of COVID-19 in China and recessionary headwinds prevailing in the US and Europe in the first half of 2022 weighed on global economic activity. Trade in goods grew 10% over the 2021 level to an estimated \$25 trillion, and services were up 15% to a record US\$7 trillion, as per the UNCTAD report.

As per UNIDO Statistics, global manufacturing output has maintained a stable year-over-year growth rate of 3-4% since the last quarter of 2021.

2023 possibilities & prospects: The world economy is expected to attain a soft landing considering the decline in inflation and strong growth in goods and services despite the challenging circumstances in the financial sector, the Russia-Ukraine conflict and the three years of the COVID-19 pandemic.

Though the projections by IMF reflect that growth will fall from 3.4% in 2022 to 2.8% in 2023, on careful observation, it is noted that it is a sign of considerable resurgence. Despite the financial turmoil (owing to the collapse of large banks) and escalating geopolitical tensions, the GDP estimates for 2023 are very close to the average annual GDP growth of about 3% (over the last decade).

Though inflation is expected to fall, it is assumed to remain at 5.2% in 2023. Due to the rapid monetary policy tightening to combat inflation, conditions in advanced economies have deteriorated as their growth has been forecast to slow from 2.5% in 2022 to 0.5% in 2023.



Indian Economy

In the financial year 2022-23, in the aftermath of Covid, India stood out as one of the magnificent examples of hope and optimism while the world was tipping towards recession. After a spectacular rebound in FY22 from a lower base, the Indian economy again registered a healthy 7% growth in the GDP. Growth was underpinned by investment activity led by the Government's strong capital expenditure thrust, subsequent capital formation and return in private consumption.

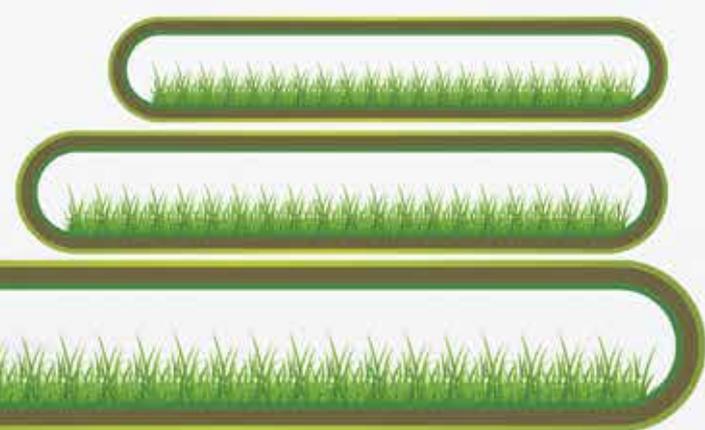
The global turmoil in 2022 triggered broad-based inflation worldwide, and India was no exception. In April 2022, retail inflation, measured by CPI (consumer price index), reached the highest (7.79%). RBI increased interest rates to contain the soaring inflation and by the end of this fiscal, CPI (consumer price index) came down to 5.66%.

The rupee's depreciation against the dollar supported the surge of exports growing at 13.84 % during FY 23 over FY 22 to achieve USD 770.18 billion worth of exports.

S&P and Fitch, the global rating agencies, rated India 'BBB-' and 'Baa3', which indicates a stable outlook but a low investment grade. These ratings consider economic growth, inflation, short and long-term government debt, etc.

Outlook: In FY24, the overall growth scenario is expected to remain robust, although significant challenges persist in the global environment. Slower consumption, income growth, and rising borrowing costs will affect the country's overall economic growth.

The Government's increased impetus on infrastructure creation, showcased in the largest-ever allocation in the Union Budget is expected to drive economic progress. Expanding public digital platforms and measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes will support and aid economic growth.



India's Agriculture sector

While agriculture's share in India's economy has progressively declined to less than 15%, the sector's importance in India's economic and social fabric goes well beyond this indicator.

First, nearly three-quarters of India's families depend on rural incomes.

Second, most of India's poor (770 million people or about 70%) reside in rural areas.

And third, India's food security depends on producing cereal crops and increasing its production of fruits, vegetables and milk to meet the demands of a growing population with rising incomes.

For India's agricultural sector to increase its significance in the economic equation, a productive, competitive, diversified and sustainable agricultural sector will need to emerge at an accelerated pace.

The country has some 195 mn ha of land under cultivation, of which about 63% are rainfed (roughly 125m ha); the irrigated part constitutes only ~37% (estimated at 70 mn ha).

Indian farmers still depend on the monsoon for their growing water demands. Improper patterns of rain showers often result in a poor crop yield. Availability of irrigation facilities, therefore, becomes essential to ensure a good harvest.

Indian agriculture was lucky to have a good run of monsoons for the last four years. This helped ensure that agriculture was not only largely unaffected by the pandemic but also provided refuge to many who lost their livelihoods during the crisis.

Realising the lacunae of India's monsoon-dependent farming, the Government extended the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) (launched in 2015 to improve farm productivity) by four years till 2025-26 to complete ongoing projects. The program entails additional spending of ₹93,068 Crore.

The Government also approved the Accelerated Irrigation Benefit Programme (AIBP), Har Khet ko Pani (HKKP), and watershed development components of the PMKSY for four years to 2025-26.

Under the AIBP, which offers financial support to irrigation projects, the Government aims to extend irrigation to 1.39 million hectares by 2025-26.

Under the HKKP, which aims to expand the cultivable area under assured irrigation, the Government plans to bring 450,000 hectares under irrigation through minor projects and to rejuvenate water bodies.

Through the watershed development component, the Government envisages the completion of sanctioned projects covering 4.95 million hectares of degraded land and bringing an additional 250,000 hectares under protective irrigation through 2025-26.

The heightened efforts towards increasing the cultivable land under irrigation are expected to create promising opportunities for the PVC pipes segment.

Sources

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Indian Real Estate

In India, the real estate industry ranks second in terms of the 'highest employment generator' after agriculture. This sector is expected to continue on its journey of long-term growth as the GDP per capita increases, leaving larger disposable incomes with people and growing urbanisation which will propel the economy.

The Indian real estate sector has seen remarkable growth in recent years, and Non-Resident Indians (NRIs) have played an instrumental role in this expansion. Rising demand for the luxury home sector, rent inflation, and the rupee depreciation are some of the most prominent factors fuelling the demand for Indian real estate.

According to a report by the National Real Estate Development Council (NAREDCO) and KPMG India, the Indian real estate industry is showing strong growth, even as the global real estate industry continues to recover from stagnation. The report states that the market size of the Indian real estate industry in FY21 was indexed at US\$200 billion and is expected to reach US\$1 trillion by FY25. This growth is expected to contribute 13% of the country's GDP.

Residential real estate: India's residential real estate market had remarkable growth in 2022 and this momentum is expected to continue even as the global market remains muted. The new development will mushroom across the Indian landscape and be more pronounced in Tier 2 and 3 towns.

Affordable housing: The growing awareness of home ownership and the Government's favourable affordable housing schemes have led to significant growth in the affordable housing segment. As we advance, the demand for affordable housing will continue over the coming years. In the Union Budget 2023-24, the Finance Ministry has allocated ₹79,000 Crore (US\$ 9.64 billion) for the PM Awas Yojana- an initiative addressing urban housing shortage among EWS/ LIG and MIG categories, ensuring a pucca house to all eligible families.

Commercial real estate: Commercial real estate, meanwhile, has rebounded strongly post Covid now that the workforce is returning to office. This industry is one of the fastest expanding real estate categories as many MNCs and large businesses have recently reopened their offices or adopted a back-to-office plan. The most recent analysis from Knight Frank India predicts that the commercial real estate market will grow steadily and sustainably. The co-working sector in India should cross 50 million sq. ft by the end of 2023, which would be a YOY 15% increase.

In addition to office space, there is tremendous growth in other sub-segments of the commercial segment, namely, hospitality, hospitals, retail and data centers among others.

* According to JLL's Data Centre Update: H2 2022 report, the expansion in data center capacity between 2023-2025 will necessitate a demand for 9.1 million sq. ft of realty space.

* Developers plan to add nearly 25 million sq. ft. of new mall space across the top 7 cities over the next 4-5 years, according to a joint report by ANAROCK and Retailers Association of India (RAI).

* India will require an additional 1.3 billion square feet of healthcare space by 2030 to reach the global hospital beds-to-population average, according to CBRE.

Furthermore, policy initiatives like Smart Cities Mission and AMRUT (Atal Mission for Rejuvenation and Urban Transformation) could further amp up demand for commercial real estate.

Every real estate creation will open opportunities for the PVC pipe sector and bolster the demand.



Sources

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- <https://economictimes.indiatimes.com/news/how-to/what-are-the-factors-pushing-the-commercial-real-estate-sector/articleshow/99639397.cms>
- <https://www.livemint.com/money/personal-finance/future-of-real-estate-market-in-india-in-2023-11676368024008.html>
- <https://housing.com/news/india-data-centre-to-drive-9-1-mn-sq-ft-realty-demand-between-2023-25-report/>
- <https://www.financialexpress.com/industry/25-million-sq-ft-of-new-mall-space-in-these-7-cities-in-next-4-5-yrs-as-retail-shopping-rebounds-with-vengeance/2989282/>
- https://www.business-standard.com/article/current-affairs/india-will-require-additional-1-3-bn-sq-ft-healthcare-space-by-2030-cbre-122060200608_1.html



uPVC AGRICULTURE PIPES



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The PVC Pipes Sector

PVC (Polyvinyl Chloride) is a chlorinated hydrocarbon polymer that is coarse and stiff in its original state but eventually becomes flexible when combined with plasticisers. These are mainly used as water conduits since they do not rust, rot or wear out over time. Owing to its high durability, flexibility, recyclability, resistance to heat, long-lasting nature, lightweight and minimal chemical reaction, it is one of the most utilised plastics in the world.

Considering their high degree of malleability and other aforementioned characteristics, PVC pipes are used in both commercial and residential sectors. Further, their usage is prevalent in plumbing, sewage and drainage systems, drinking water distribution, irrigation systems, chemical handling, fume, exhaust and ventilation ducts, and recreation.

PVC pipes are mainly categorised as CPVC (Chlorinated Polyvinyl Chloride) and UPVC (Unplasticised Polyvinyl Chloride), their distinguishing factor being that CPVCs are composed of plasticisers while UPVCs do not contain plasticisers.

The future of the Indian PVC pipes market is expected to flourish with prospects in potable water supply, wastewater supply, electrical and telecommunication cable protection, agriculture, chemicals, and oil and gas. Prominent growth drivers of this market include the expansion of government infrastructure investment, rising home and business building, industrial production and the irrigation sector.

To facilitate supply of potable drinking water through individual household tap connections, the Government launched the “Jal Jeevan Mission” in August 2019, which will require an extensive system of in-village piped water supply infrastructure to facilitate the flow of water to each household, thus accelerating the requirement of PVC pipes. This scheme has been allocated ₹70,000 Crore for FY 24, 27% more than the revised estimates for 2022-23.

As India amplifies its mission of ‘Atmanirbhar Bharat,’ several direct and indirect policies have been implemented to encourage this sector’s growth. Import restrictions placed on CPVC resins and their compounds enable domestic firms to acquire a significant market share. Further, assets have been monetised so that

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they can be allocated for the execution of the schemes under the "National Infrastructure Pipeline (NIP)," which opens up an exciting array of opportunities for the Pipes industry.

AMRUT Scheme: It prioritises the supply of water and increased coverage for sewage and septage management to households, along with developing amenities, particularly for the poor and the disadvantaged. As per the Operation Guidelines issued

Strengths

- Large and mature market with an entrenched presence
- Complete basket of products for every application
- Abundant availability of inputs

Opportunities

- Significant opportunities emerge from the real estate sector as it comes under the global spotlight
- Government thrust on irrigation, infrastructure creation and development of Tier 2, 3 and 4 cities and towns
- Significant investment by the private sector

Sources

<https://timesofindia.indiatimes.com/blogs/voices/trends-and-future-of-the-indian-plastic-pipe-market/#>

for this scheme, it has an outlay of ₹2,77,000 Crore, including a central share of ₹76,760 Crore for five years from FY22 to FY26.

Amrit Bharat Station Scheme: This program has been undertaken to modernise the infrastructure of 1275 railway stations as identified under this scheme. This renovation will fuel the demand for piping solutions.

Potential for PVC pipes: The plastic pipe market in India is estimated to be worth \$400 billion (FY22). The pandemic throughout the previous five years has scripted a 10% CAGR from FY2016 to FY2021. By FY2025, the sector is anticipated to develop at a slightly faster rate of 11% and reach between ₹550 and ₹600 billion.

Weaknesses

- Competitive intensity is considerably high owing to the significant presence of the unorganised sector

Threats

- Volatility in input prices adversely impacts business profitability and sustainability
- Considerable increases in interest rates could slow down new investment in projects leading to diminishing opportunities

About Apollo Pipes

Apollo Pipes (BSE: 531761, NSE: APOLLOPIPE) is a significant player in piping & fittings and water management solutions in India with multi-decadal experience in serving diverse clients.

Headquartered in Delhi, the Company enjoys a strong brand presence in the domestic market.

Apollo Pipes makes products that cater primarily to the plumbing, sanitation, water supply, infrastructure and agriculture sector.

The Company operates five state-of-the-art manufacturing plants with a cumulative capacity of 1,36,000 MTPA. The Company has a diversified portfolio of over 1,500+ high-quality products in CPVC, UPVC and HDPE pipes & fittings, bathroom products, water tanks and solvents.

Apollo Pipes maintains a strong distribution network of 700+ channel partners and 10,000+ customer touchpoints.

Operational Performance

Apollo Pipes continued to push the efficiency of its business operations a few notches higher. This drive was critical owing to the prevailing headwinds in the business space.

In addition to increasing productivity, the team successfully implemented debottlenecking initiatives at its existing facilities to increase the label capacity. It also focused on enhancing the utilisation of its Raipur facility commissioned towards the close of FY22. These efforts helped in 24% increase in production.

The Company launched the PPR-C plumbing range of products which were well received by its channel partners and end consumers.

On the cost front, the team endeavoured to reduce energy costs and reduce wastage. While the financial impact of these efforts was overshadowed owing to external factors, these initiatives have only strengthened the Company's competitive edge.

Into FY24, the Company will pivot its energy on creating new capacity across all regions. This investment will strengthen its ability to cater to consumer markets better and faster.

Financial Performance

FY23 was a particularly challenging year owing to the volatility in PVC prices which peaked towards the end of FY22 and started scaling down month-on-month. This resulted in the channel's destocking in the fiscal's initial half, which impacted business volumes.

Notwithstanding the muted external environment, business volumes increased by 24% over the previous year, showcasing the brand's strength in attracting discerning consumers. Revenue from operations also increased by 17% to ₹915 Crore against ₹784 Crore in FY22.

The continued drop in raw material prices significantly impacted business profitability. EBITDA dropped by 27% to ₹68 Crore from ₹93 Crore in the previous year. Also, Profit after Tax declined by more than 50% to ₹24 Crore in FY23 against ₹50 Crore in FY22.

FY23 had its share of positives as well. Operating Cash flow improved from ₹36 Crore in FY22 to ₹69 Crore in FY23. The improvement in the working capital cycle from 68 days in FY22 to 56 days in FY23 partially helped in this uptick.

The Company utilised part of the internal accruals to part-finance its ₹71 Crore capex project towards enhancement of capacities, debottlenecking and adding balancing equipment majorly into cPVC, HDPE pipes and fittings to strengthen its presence in the building products segment, which is offering better growth opportunities.

Net debt increased to ₹9 Crore as on March 31, 2023, against ₹3 Crore as on March 31, 2022. Despite the increase, the debt-equity ratio remained low at 0.02.

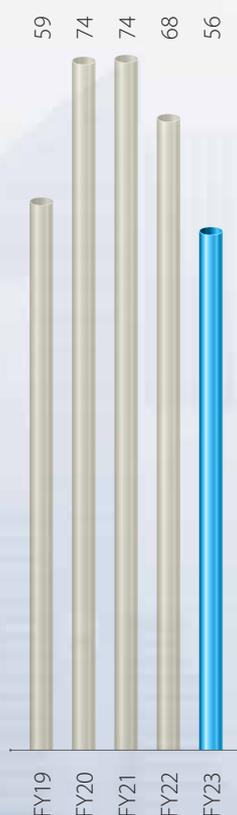
Networth stood at ₹457 Crore as on March 31, 2023, against ₹405 Crore as on March 31, 2022 the increase was owing to the ploughing of operational surplus into the business.

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

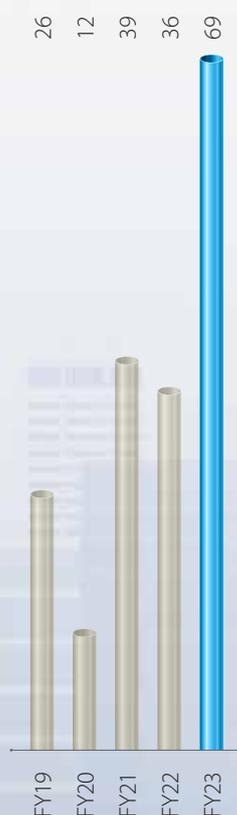
In accordance with the amendments notified by SEBI in Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 on 9th May 2018, the details of significant changes i.e. change of 25% or more in the key financial ratios as compared to the immediately previous financial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

Particulars	2022-23	2021-22	Change (%)	Reasons for change
Debtors Turnover Ratio	13.4	11.8	14	Improved for the better by 7 days
Current Ratio	1.67	2.25	(26)	Increase in Creditors
Debt-Equity Ratio	0.02	(0.01)	N/A	
Interest Coverage Ratio	4.7	16.7	(72)	Lower due to fall in EBIT
EBITDA Margin (%)	7.4	11.9	(38)	Declined due to decrease in Margins.
Net Profit Margin (%)	2.6	6.3	(59)	EBITDA decline led to lower net profit
Return on Net Worth (%)	5.5	13.2	(58)	Lower profitability

Working Capital Cycle (Days)



Operating Cashflow (₹ Crore)



Net Debt* (₹ Crore)



* Negative due to Net Cash

3,415
Person hours of
classroom training
were imparted in FY 23

The Company has a defined promotion policy and a "succession planning scheme." Under these policies, employees are elevated and identified to take up higher roles in the future and bridge the talent gap. The HR team conducts development programs through structured training programs.

Safety Policy and Practice

Apollo Pipes is committed to employee health and safety. Our health and safety policies ensure a safe and secure work environment. It has a record of zero fatalities and zero major injuries for the last five years.

Employee Engagement

Apollo Pipes has invested adequately to enhance employee engagement and productivity. It has a Reward and Recognition policy that provides rewards such as Kaizen Awards and 'Worker of the Month' etc. All winners are acknowledged and appreciated in a public forum.

These initiatives have increased the staff's sense of belonging and commitment to the organisation.

Policy Changes

We have implemented the following policy changes in FY 23: -

- Emphasis on training programs by internal trainers for tailor-made internal training modules.
- Fresh Talent Scheme.
- Succession Planning Scheme.
- Policies and SOPs related to the employee life cycle.

Priorities

Our priorities for FY 24 include the following: -

- Developing a Performance-Driven Organisational Culture.
- Creating a Talent Pool to meet the future requirements of the organisation.
- HR Digitisation as planned.
- Emphasis on People Development Programs.

references, agencies and social media. The Company recruited 196 new hires in FY 23. Under its "Fresh Talent Scheme," it hired GETs (Graduate Engineer Trainees) to strengthen the technical knowledge of its talent pool.

Learning and Development

Apollo Pipes invested in Paathshala, a state-of-the-art dedicated training center at Dadri which provided technical and non-technical training to the Company employees. Tailored training modules were developed in-house with the help of subject matter experts. Internal Faculty appointed by the management imparted training programs.

The HR team is also investing in the horizontal deployment of these programs in other locations. Additionally, continuous training programs were rolled out for the skill-upgradation of operators and supervisors through classroom training programs and on-the-job training.

Information technology

In today's environment, information technology is the backbone of business operations for every enterprise, especially for an organisation with a multi-geography presence. The same holds true for Apollo Pipes. The Company's IT infrastructure and Networks have created a cohesive and agile organisation that keeps pace with the sectoral dynamism.

Across the Company: In 2022-23, the Company upgraded its SAP version from 1709 to 2022. Along with the SAP/HANA upgrade, it also installed Fiori based dashboard that allows it to have a user-friendly visualisation of its business data. This dashboard facilitates knowledge-backed and faster decision-making, combining all required information. It also facilitates trend analysis which helps in tweaking business strategies accordingly.

Customer management: In our Customer Management System (CMS), the Company implemented order management and product tracking, including the sales route and the best delivery plan. The system also features a product campaigning process and details about distributors, retailers and influencers meet programs. The Company also implemented a customer complaint management system. It makes the process of handling, managing, responding to and reporting customer grievances easier. To support customer management, Apollo Pipes established a 24x7 call center. Coupled with the customer management system, this addition delivers a superior customer service experience. Further, it has developed a unified platform for its sales team, making the customer interaction process seamless.

Inventory & shop-floor management: Apollo Pipes also introduced a contemporary QR code-based inventory tracking process (in and out) at its facilities. These QR code labels meet BIS standards with advanced Image-based product identification. It has also implemented a Taffeta silk QR label for its bundle pipe products. Additionally, the Company has customised the weighing process for all its extruder machines and integrated it with the SAP QR label process (in and out).

Supply chain management: The Company installed Superprocure, a software with a built-in multi-enterprise solution that facilitates it to automate and optimise its end-to-end

logistics. It is scalable and easy to use. It equips the Company with logistics mobility, robust integration with its existing tech stack, real-time analytics and visibility, enabling freight reduction, operational efficiency, seamless collaboration, data-driven decisions and optimised service labels.

The IT team added a unique truckload calculation algorithm in our supply-chain system to identify the number of trucks during dispatch. It also automated the entire dispatch system, which traditionally involved pen, paper or spreadsheet, ensuring an excellent delivery experience for the customer.

Finance management: Upgradation to SAP/HANA has facilitated the finance team seamlessly manage the treasury & risk portfolio. This software automates corporate treasury activities, including cash, investment, debt and trade finance. It also scans the Company's risk positions, commodity price changes, and currency conversion rates to develop compliant hedge accounting strategies with a complete audit trail and limit exposure.

Moreover, it directly connects with Banks and Financial Institutions using a multibank digital channel with embedded SWIFT technology. It enables us to connect to our bank accounts and send/receive payments from within SAP, thus automating the banking process. It provides a single platform for managing the creation, delivery, and tracking of customer communications, including account statements, notices, and other documents.

Cyber Security: With the new version of SAP and full flash SD-WAN (a virtual network that allows companies to connect users to applications securely) features, the IT team has implemented SAP security and enhanced the overall cybersecurity of the organisation to protect its networks, devices, applications, systems and other cyber threats.



The Company installed Data Loss Prevention (DLP) software, also known as data leak prevention software, to secure control while ensuring compliance with sensitive business information. A vital component of this software is distribution control, which ensures that users do not send private information outside of corporate business networks.

The Company also implemented 'Single Sign On' or SSO software, an authentication tool that allows users to sign in to multiple applications and databases with a single set of credentials. It simplifies the identification process when accessing applications, portals and servers.

Denial-of-service (DoS) and distributed denial-of-service (DDoS) attacks are malicious attempts to disrupt the normal operations of a targeted server, service, or network by overwhelming it with a flood of Internet traffic. These days, protection against these attacks is a necessity for every enterprise.

Apollo Pipes implemented this software in FY23, which prevents malicious traffic from reaching our network. Additionally, it has implemented the Mobile device management (MDM) software used by businesses to optimise the functionality and security of the mobile devices used in the organisation, including smartphones and tablets.



Risk Management

Apollo Pipes knows that its business is subject to risks and uncertainties that could have both short-term and long-term implications for the Company. Business risks are constantly evolving in a rapidly changing business environment with dynamic customer requirements. As a result, there is significant variation in the risks landscape across businesses.

Apollo Pipes constantly monitors the external environment to identify potential emerging risks and their impact on our business. The Company evaluates risks impacting its strategic, operational, compliance and reporting objectives.

The Company's robust and resilient risk management framework

is guided by the Risk Management Committee of the Board, involving Independent Directors and Senior Management. The Risk Management Committee monitors risk management efforts and provides insights for effective risk management across our operations.

Under guidance from the Risk Management Committee, the Company's risk management process is further supported by responsibilities involving the formulation of policies, identification of risks and monitoring risk mitigation measures. The Functional Heads are responsible for implementing risk mitigation measures on an ongoing basis.

Risk Management process



BOARD OF DIRECTORS



MR. SAMEER GUPTA
(CHAIRMAN & 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. ARUN AGARWAL
(JOINT MANAGING DIRECTOR)

A Chartered Accountant from The Institute of Chartered Accountants of India, Mr Arun Agarwal joined APL Apollo Tubes Limited in 2009 at Bangalore, as Finance Controller. Having 14 years of professional experience in APL Apollo Tubes Limited, he has worked in plant maintenance, power management and total quality management functions.

In 2019, he was appointed as the Chief Operating Officer of the Company. Since then, he has been actively involved in all strategic decision making within the group and has over the years grown with APL Apollo Tubes, a pioneer in the structural steel tubes manufacturing segment in India with a dominant 50% market share, progressively shouldering higher responsibilities. He was responsible for driving all the 11 plants under APL Apollo Tubes Limited.

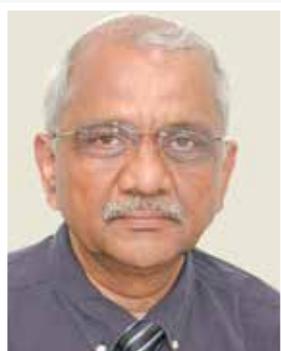
*Mr. Arun Agarwal (DIN:10067312) was appointed as Additional Director on March 14, 2023 and designated as Joint Managing Director w.e.f. April 01, 2023 and the said appointment was subsequently approved by the Members in duly convened EGM held on April 13, 2023.



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

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

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



MR. PRADEEP KUMAR JAIN

(NON-EXECUTIVE, INDEPENDENT DIRECTOR)

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



MS. NEERU ABROL

(NON-EXECUTIVE, INDEPENDENT DIRECTOR)

A Chartered Accountant, Ms. Abrol has about four decades of rich professional experience in various sectors and positions. She worked for 26 years with Steel Authority of India Ltd at various critical management positions which have provided her with in-depth knowledge of the steel industry and its work flow. She is also the former Chairperson and Managing Director and Director Finance of National Fertilizers Ltd. Ms. Abrol is currently serving as Director at TCNS Clothing Co Limited, APL APOLLO Tubes Ltd, Stecol International Pvt Ltd and other companies. She is also associated with a couple of NGOs. She is a 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 & MANAGING DIRECTOR

Mr. Sameer Gupta
(DIN: 00005209)

JOINT MANAGING DIRECTOR

*Mr ARUN AGARWAL
(DIN: 10067312)

DIRECTORS

Mr. Pradeep Kumar Jain (DIN: 08063400)

Ms. Neeru Abrol (DIN: 01279485)

Mr. Abhilash Lal (DIN:03203177)

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

CHIEF FINANCIAL OFFICER

Mr. Ajay Kumar Jain

COMPANY SECRETARY

Mr. Ankit Sharma

*Mr. Arun Agarwal (DIN:10067312) was appointed as Additional Director on March 14, 2023 and designated as Joint Managing Director w.e.f. April 01, 2023 and the said appointment was subsequently approved by the Members in duly convened EGM held on April 13, 2023.

**Mr. Ashok Kumar Gupta (DIN: 01722395) was appointed in place of Mr. Saket Agarwal as Director(Non-Executive in the category of Non-Independent) w.e.f May 06,2022 and the said appointment was subsequently approved by the Shareholders through Postal Ballot on July 06, 2022.

***Mr. Sanjay Gupta (DIN: 002333188) has resigned from the directorship w.e.f. March 14, 2023.

REGISTERED OFFICE

37, Hargobind Enclave,
Vikas Marg, Delhi – 110092

CORPORATE OFFICE

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

REGISTRAR AND SHARE TRANSFER AGENT

M/s. Beetal Financial &
Computer Services Private
Limited

Beetal House, 3rd Floor,
99 Madangir, Behind Local
Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi - 110062

BANKERS

Axis Bank
DBS Bank
HDFC Bank
ICICI Bank
SBI 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

909, GD-ITL, Northex Tower,
A - 09, Netaji Subhash Place
Pitampura, Delhi - 110034

SECRETARIAL AUDITOR

M/s Anjali Yadav & Associates

B-6/32, Sector-15, Rohini, Delhi-110085

INTERNAL AUDITOR

M/s Ernst & Young LLP

Golf View, Corporate Tower-B, Sector-42,
Sector Road, Gurugram, Haryana-122002

WORKS

Unit – 1

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

Unit –2

Plot No. D-20 & E-6, E-8, E-4
Industrial Area, Sikanderabad,
Bulandshahar,
Uttar Pradesh - 203205

Unit-3

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

Unit-4

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

Unit-5

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

STATUTORY REPORTS
&
FINANCIAL STATEMENTS

BOARD'S REPORT

To the Members of
Apollo Pipes Limited,

Your Directors are pleased to present the 37th Annual Report on the business and operations of your Company along with the Audited Financial Statement for the financial year ended March 31, 2023.

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 2022-23	FY 2021-22
Gross sales	91,452.34	78,407.54
Add : Other income	196.36	379.36
Total revenue	91,648.70	78,786.90
Operating expenses	84,649.26	69,068.41
EBIDTA	6,999.44	9,718.49
Less : Finance cost	886.37	428.77
Less : Depreciation and amortization	2839.32	2,570.16
Profit before tax (PBT)	3273.74	6,719.56
Less : Tax expense	882.25	1,743.07
Profit after tax for the year (PAT)	2391.48	4,976.49

The Company's gross turnover in financial year 2022-23 increased significantly by 17% from ₹78,407.54 Lakh to ₹91,452.34 Lakh. The EBIDTA has been decreased by 28% from ₹9,718.49 Lakh to ₹6,999.44 Lakh for the year under review. The Net Profit of the Company has also decreased by 52% from ₹4,976.49 Lakh to ₹2,391.48 Lakh during the year under review. Continuous correction in raw material price led to decrease in margins due to immediate pass on of the same in the market, resulting into inventory Loss.

DIVIDEND

The Board of Directors of the Company is pleased to recommend a dividend @6% (₹0.6 per share) as final dividend on the equity shares for the financial year 2022-23 for the approval of Members of the Company at the ensuing Annual General Meeting. The payment of dividend will be subject to deduction of applicable taxes.

Pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company has a Dividend Distribution Policy. During the year, there have been no changes to the policy and the same is available on our website at <https://www.apollopipes.com/media/product/Microsoft-Word-28-Dividend-Distribution-Policy.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

India displayed resilience in an otherwise dull economic environment registering strong GDP growth. This growth was underpinned by Government thrust on capital expenditure and robust private consumption.

While inflation remained elevated throughout the year, RBI's interventions helped scale inflation below the upper tolerance levels towards the close of the fiscal. Despite a dismal global economic environment, India recorded its highest export numbers. The Government's revenue collection also scaled new heights.

Optimism in India soared with the announcement of the Union Budget 2023-24, which allocated a massive amount to world-class infrastructure creation, the benefit of which is expected to cascade to multiple sectors.

India is likely to retain its spot among the fastest-growing major economies in the world in FY24, although estimates suggest a dip in GDP. This conservative assessment is due to global risks that could impact India's progressive journey.

BUSINESS PERFORMANCE

Your Company reported a healthy performance as business volumes grew beyond the budgeted numbers. Revenue from operations and business profitability dropped due to the PVC price volatility.

The Company sustained its investments in debottlenecking capacities and augmenting capabilities for its cPVC and HDPE pipes and fittings. The Company continued to rejuvenate its product basket with customer-relevant products.

Branding initiatives continued throughout the year through social media campaigns and other electronic media to enhance product and brand visibility.

The management has drawn up a comprehensive business plan for expanding capacities through greenfield and brownfield initiatives.

PROSPECTS

Resurgence in the real estate sector provides considerable promise for improved business performance. Further reduced inflationary pressures and stability in input prices suggest improved profitability going forward. The Company's focus on strengthening its presence further in the building products segment should improve margins.

PROJECTS

Your Company has planned a massive investment of ₹500 Crore in capacity creation through multiple projects across India. This will include brownfield expansions and setting up new facilities. The combination of these additions will more than double its operating capacity. The Company plans to fund this project through Capital infusion via Preferential Allotments of Convertible Warrants and internal accruals.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Controls within the meaning of Section 134(5)(e) of the Companies Act, 2013 (the "Act"). For the financial year ended March 31, 2023, the Board is of the opinion that the Company had sound Internal Financial Controls commensurate with the size and nature of its operations and are operating effectively and no reportable material weakness was observed in the system during the year.

Based on annual Internal Audit programme as approved by Audit Committee of the Board, regular internal audits are conducted covering all offices, factories and key areas of the business. Findings are placed before Audit Committee, which reviews and discusses the actions taken with the management. The

Audit Committee also reviews the effectiveness of Company's internal controls and regularly monitors implementation of audit recommendations.

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

ANNUAL RETURN

In accordance with the provisions of Section 134(3)(a) of the Act, the Annual Return as required under Section 92 of the Act for the financial year 2022-23, is available on the Company's website at <https://www.apollopipes.com/extract-of-annual-return#investor>.

SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATES

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

DEPOSITS

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

SHARE CAPITAL

As on March 31, 2023, the Authorized Share Capital of the Company stood at ₹45,00,00,000/- (Rupees Forty Five Crore only) divided into 4,50,00,000 (Four Crore Fifty Lakh) equity shares of ₹10/- (Rupees Ten only) each.

The Paid up Equity Share Capital of the Company as on March 31, 2023 was ₹39,32,82,060/- (Rupees Thirty Nine Crore Thirty Two Lakh Eighty Two Thousand and Sixty) divided into 3,93,28,206 (Three Crore Ninety Three Lakh Twenty Eight Thousand Two Hundred and Six) equity shares of ₹10/- (Rupees Ten only) each.

During the year, in accordance with provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, The Company had allotted 47,20,000 (Forty Seven Lakh and Twenty thousand) warrants on preferential basis, on May 10, 2023, to persons belonging to 'Promoter and Promoter group' and 'Non-Promoter category' carrying a right to subscribe to one Equity Share per Warrant, for cash of face value of ₹10/- each at an issue price of ₹550/- per warrant aggregating upto ₹2,59,60,00,000/- (Rupees Two Hundred Fifty-Nine Crore and Sixty Lakh Only) to be convertible at the option of the warrant holder in one or more tranches within 18 months from the date of allotment.

Consequent to the said allotment, the Paid-up Equity Share Capital of the Company on fully diluted basis shall be ₹44,04,82,060 (Forty Four Crore Four Lakh Eighty Two Thousand and Sixty only) divided into 4,40,48,206 (Four Crore Forty Lakh Forty Eight Thousand Two Hundred and Six) equity shares of ₹10/- (Rupees Ten Only) each.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

In the opinion of the Board, all the Independent Directors are person of integrity and having requisite expertise, skills and experience (including the proficiency) required for their role and are independent of the management.

Composition of the Board of Directors of the Company as on 31.03.2023:

1. Mr. Sameer Gupta (DIN: 00005209) - Chairman & Managing Director (Executive)
2. *Mr. Arun Agarwal (DIN:10067312) – Joint Managing Director (Executive)
3. †Mr. Ashok Kumar Gupta (DIN: 01722395) - 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)

Note:

*Mr. Arun Agarwal (DIN:10067312) was appointed as Additional Director on March 14, 2023 and designated as Joint Managing Director w.e.f. April 01, 2023 and the said appointment was subsequently approved by the Members in the duly convened EGM held on April 13, 2023 and Mr. Sanjay Gupta (DIN: 00233188) has resigned from the directorship w.e.f. March 14, 2023.

†Mr. Ashok Kumar Gupta (DIN: 01722395) was appointed in place of Mr. Saket Agarwal as Director(Non-Executive in the category of Non- Independent) w.e.f. May 06,2022 and the said appointment was subsequently approved by the Shareholders through Postal Ballot on July 06, 2022.

©Mr. Pradeep Kumar Jain (DIN:08063400) and Ms. Neeru Abrol (DIN: 01279485) were reappointed as Independent Directors of the Company w.e.f. January 30, 2023.

PARTICULARS OF REMUNERATION

Disclosure of ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company and other requisite details pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is annexed to this report as **Annexure - A**. Further, particulars of employees pursuant to Rule 5(2) & 5(3) of the above Rules form part of this report. However, in terms of provisions of section 136 of the said Act, the report and accounts are being sent to all the Members of the Company and others entitled thereto, excluding the said particulars of employees. Any Member interested in obtaining such particulars may write to the Company Secretary at email- compliance@apollopipes.com . The said information is available for inspection at the Corporate Office of the Company during working days of the Company up to the date of the ensuing Annual General Meeting.

AUDITORS AND AUDITORS' REPORT

A. Statutory Auditors

In terms of Section 139 of Companies Act, 2013 ("the Act"), M/s. VAPS & Company, Chartered Accountants, (Firm Registration No. 003612N) had been appointed as Statutory Auditors of the Company in the 34th Annual General Meeting held on September 29, 2020 to hold the office from the conclusion of the said Annual General Meeting till the conclusion of the 39th Annual General Meeting to be held in year 2025.

The report of Statutory Auditor on the financial statements for the financial year ended on March 31, 2023, is self-explanatory and does not contain any qualification, reservation or adverse remark or disclaimer.

B. Cost Auditors

In terms of Section 148 of the Act, the Company is required to get the audit of its cost records conducted by a Cost Accountant. In this connection, the Board of Directors of the Company in its meeting held on July 25, 2023 had, upon 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, 2024.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the Members of the Company. Accordingly, appropriate resolution will form part of the Notice convening the Annual General Meeting (AGM). The approval of the Members is sought for ratifying the remuneration of ₹1,00,000/- (Rupees One Lakh Only) excluding GST as applicable payable to the Cost Auditors for the financial year ending March 31, 2024.

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, 2023 will be filed with the Ministry of Corporate Affairs (MCA). The Company has maintained accounts and records as specified under sub-section (1) of 148 of the Act.

C. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act, the Board of Directors had appointed M/s Anjali Yadav & Associates, Company Secretaries in practice as Secretarial Auditor to carry out the Secretarial Audit of the Company for the financial year 2022-23. The report given by them for the said financial year in the prescribed format is annexed to this report as **Annexure - B**. The Secretarial Audit Report is self-explanatory and does not contain any qualification,

reservation or adverse remark etc. Further, the Board has appointed the said firm for conducting the Secretarial Audit for Financial Year 2023-24 also.

RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2023, all the contracts or arrangements or transactions entered into by the Company with the related parties were in the ordinary course of business and on 'arm's length' basis and were in compliance with the applicable provisions of the Act read with Regulation 23 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (Listing Regulations).

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

Your Directors draw attention of the Members to Note no. 37 of the Financial Statement which sets out related party disclosures.

EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company, under the Apollo Pipes Limited Employee Stock Option Scheme – 2020 ("the Scheme") approved by the Shareholders vide postal ballot on April 21, 2020, grants share-based benefits to eligible employees of the Company with a view to attracting and retaining the best talent, encouraging employees to align individual performances with Company's objectives, and promoting increased participation by them in the growth of the Company. The total number of equity shares to be allotted pursuant to the exercise of the stock incentives under the Scheme to the employees of the Company shall not exceed 4,00,000 equity shares. The following disclosures are being made under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the said disclosure is also available on the website of the Company at www.apollopipes.com :

S. No.	Particulars (During the financial year ended March 31, 2023)	Apollo Pipes Limited Employee Stock Option Scheme – 2020
1	Date of Shareholder's approval	April 21, 2020
2	Total number of options approved under ESOS	4,00,000
3	Vesting requirements	Options granted would vest not less than 1 year and not more than 4 years from the date of employment of the relevant employee.
4	Exercise price or pricing formula	The Exercise price of the shares will be the Market Price of the shares one day before the date of grant of options.
5	Maximum term of options granted	4 years
6	Source of shares	Secondary
7	Variation in terms of options	No Variation during FY 2022-23
8	Method used to account for ESOS	Fair value

S. No.	Particulars (During the financial year ended March 31, 2023)	Apollo Pipes Limited Employee Stock Option Scheme – 2020
9	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	NA
10	Option movement during the year:	
	Number of options outstanding at the beginning of the period	1,48,200
	Number of options granted during the year	40,200 options (granted on 24.01.2023)
	Number of options lapsed during the year	21,900
	Number of options vested during the year	1,26,300
	Number of options exercised during the year	39,000
	Number of shares arising as a result of exercise of options	39,000
	Money realized by exercise of options (INR), if scheme is implemented directly by the company	Refer note below*
	Loan repaid by the Trust during the year from exercise price received	69,89,800
	Number of options outstanding at the end of the year	1,27,500
	Number of options exercisable at the end of the year	1,27,500
11	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Excercise Price pre-determined is ₹166 per option. Fair value of per option cost is ₹434.47
12	Employee wise details of options granted to -	
	Senior Managerial Personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;	Mr. Ajay Kumar Jain - 20,000 Mr. Ankit Sharma - 6,000
	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	None
	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	None
13	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
a)	the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	Expected volatility in the range of 44.71% to 47.70% Expected option life in 3 years to 4.50 years Expected Dividend Yield is 0.09% Risk free Rate in the range of 7% to 7.16%

S. No.	Particulars (During the financial year ended March 31, 2023)	Apollo Pipes Limited Employee Stock Option Scheme – 2020
b)	the method used and the assumptions made to incorporate the effects of expected early exercise;	NA
(c)	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	-
(d)	whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	-

Note: Total amount realized by exercise of options is ₹64,74,000 (excluding TDS amount of ₹37,83,350).

Note: All figures are mentioned after taking impact of Bonus Issue of shares.

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual accounts for the year ended March 31, 2023, 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, 2023 and of the Company's profit for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. The annual financial statements have been prepared on a going concern basis.

e. The internal financial controls were laid down to be followed that and such internal financial controls were adequate and were operating effectively.

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

During the year under review, the Company has made contribution of ₹120 Lakh for various CSR purposes in compliance to the provisions of the act relating to Corporate Social Responsibility.

The Annual Report on CSR activities containing the all requisite details (including brief of CSR Policy, CSR Committee as well as expenditure details) is annexed herewith as **Annexure - C**.

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

During the year under review, no change has been carried out in the CSR Policy.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

In terms of Section 186 of the Act and rules framed thereunder, details of Loans (including purpose thereof), Guarantees given and Investments made have been disclosed in the Notes to the financial statements for the year ended March 31, 2023.

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

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

CORPORATE GOVERNANCE

Your Company reaffirms its commitment to the highest standards of corporate governance practices. Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance Report is annexed to this report as **Annexure - E**.

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

- a) Particulars of the five (5) Board Meetings held during the financial year under review.
- b) Details about Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management including, inter alia, the criteria for performance evaluation of Directors.
- c) 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.
- d) The details with respect to composition of Audit Committee and establishment of Vigil Mechanism.
- e) Details regarding Risk Management including details of development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability 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.

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 constituted to redress complaints received regarding Sexual Harassment.

No complaint of sexual harassment was received during the financial year 2022-23.

OTHER DISCLOSURES AND REPORTING

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

1. Change in the nature of business of the Company.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this report.
3. Significant or material orders passed by the regulators or courts or tribunal which impacts the going concern status and company's operations in future.
4. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.
5. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

6. In terms of Regulation 82 of the SEBI Regulations, the Company has appointed Care Ratings Limited as the Monitoring Agency vide agreement dated March 14, 2023 for monitoring the use of the net proceeds of Preferential Issue of Warrants.
7. Reporting of any incidence of fraud under section 143(12) of the Act during the period under review.
8. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

During the reporting year, all the recommendations of the Audit Committee were accepted by the Board of Directors.

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, Regulators and Local Bodies during the period under review. The Directors also wish to place on record their appreciation of the devoted and dedicated services rendered by the employees of the Company.

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

Sd/-

Sameer Gupta

Chairman & Managing Director
(DIN: 00005209)

Place: Noida
Date: July 25, 2023

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 2022-23: The ratio of the remuneration of Mr. Sameer Gupta, Chairman & Managing Director to the median remuneration of the employees of the Company is 45.14. Sitting Fees paid to the Directors has not been considered as remuneration for the purposes of calculating the median remuneration.
- (2) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23. Mr. Sameer Gupta, Chairman & Managing Director - Nil, Mr. Ajay Kumar Jain, Chief Financial Officer -11% and Mr. Ankit Sharma, Company Secretary -18%.
- (3) The percentage decrease in the median remuneration of employees for the financial year 2022-23 is 4.61%.
- (4) The number of permanent employees on the rolls of the Company as on March 31, 2023 is 645.
- (5) The average percentile increase in the Managerial remuneration for the FY 2022-23 is 2.77% and the average increase in the salary of employees other than Managerial Personnel(s) for the FY 2022-23 is 20.16%. Managerial Personnel includes Chairman, Managing Director, Executive Director, Chief Financial Officer and Company Secretary.
- (6) We affirm that the remuneration paid in the financial year 2022-23 is as per the Remuneration Policy for Directors, Key Managerial Personnel(s) and Senior Management of the Company.

Note:

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

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

Sd/-

Sameer Gupta

Chairman & Managing Director
(DIN: 00005209)

Place: Noida

Date: July 25, 2023

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2023

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 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, 2023 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder (as amended from time to time);
- ii. The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder (as amended from time to time);
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (as amended from time to time);
- 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 (as amended from time to time); (Not applicable to the Company during the audit period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time);
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time);
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time);
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time);
 - e) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 (as amended from time to time);
 - f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended from time to time); (Not applicable to the Company during the audit period).
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (as amended from time to time) regarding the Companies Act and dealing with client;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (as amended from time to time); (Not applicable to the Company during the audit period)
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (as amended from time to time); (Not applicable to the Company during the audit period)

- j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (as amended from time to time);
- 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.
- (iii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

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:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Further, the changes took place in the composition of the Board of Directors were in compliances to the applicable provisions of the Companies Act and Listing Regulations.

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

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

We further report that during the audit period:

- i. Mr. Ashok Kumar Gupta (DIN: 01722395) was appointed as an Additional Director in Non - Executive Category w.e.f. 6th May, 2022.
- ii. Mr. Saket Aggarwal (DIN: 00203084) had tendered his resignation from the position of Director w.e.f. 6th May, 2022.
- iii. The Company in its 36th Annual General Meeting held on 27th September, 2022, declared final Dividend of ₹ 1/- per share on its fully paid-up Equity Shares of ₹ 10/- each.
- iv. The Company in its Nomination and Remuneration Committee Meeting held on 24th January, 2023 had approved grant of 40,200 options to eligible employees under "Apollo Pipes Limited Employee Stock Option Scheme 2020".

- v. Mr. Arun Agarwal (DIN: 10067312) had been appointed as an Additional Director in Executive Category on 14th March, 2023 and designated as Joint Managing Director w.e.f. 1st April, 2023.
- vi. Mr. Sanjay Gupta (DIN: 00233188) had tendered his resignation vide Letter dated 09th March, 2023 which was effective from 14th March, 2023.
- vii. Mr. Sameer Gupta (DIN: 00005209) had been re-designated as Chairman & Managing Director w.e.f. 14th March, 2023.
- viii. The Company in its Board Meeting held on 14th March, 2023 has considered and approved the issue and allotment of 47,20,000 (Forty-Seven Lakh and Twenty Thousand) Fully Convertible Warrants ("Warrants") on preferential basis to persons belonging to 'Promoter & Promoter Group' and 'Non-Promoter Category'.

Further, subsequent approval of Shareholders (by way of special resolution) has been obtained in the Extra-Ordinary General Meeting of the Company held on 13th April, 2023.

- ix. The Company has obtained the Shareholders' approval via Postal Ballots in respect of the following matters:

Shareholders' approval Date	Matters Considered
6 th July, 2022	<ul style="list-style-type: none"> i. Approval of remuneration to Mr. Sameer Gupta (DIN:00005209), Managing Director of the Company. ii. Appointment of Mr. Ashok Kumar Gupta (DIN: 01722395) as Director in Non-Executive Category.
13 th January, 2023	<ul style="list-style-type: none"> i. Re-appointment of Ms. Neeru Abrol (DIN: 01279485) as an Independent Director of the Company w.e.f. 30th January 2023. ii. Re-appointment of Mr. Pradeep Kumar Jain (DIN: 08063400) as an Independent Director of the Company w.e.f. 30th January 2023.

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

For Anjali Yadav & Associates
Company Secretaries

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

UDIN: F006628E000671666
PR Unique Code: S2006DE715800
PR Certificate No.: 629/2019

Place: New Delhi
Date: July 25, 2023

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

For Anjali Yadav & Associates
Company Secretaries

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

UDIN: F006628E000671666
PR Unique Code: S2006DE715800
PR Certificate No: 629/2019

Place: New Delhi
Date: July 25, 2023

(ii) 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. Name.
				State.	District.			
1.	Promotion of educational activity "PAHAL"	(ii)		Across India		₹44,00,000/-	Yes	Not Applicable
2.	VALUE EDUCATION OLYMPIAD(a cultural competition that would be organised by ISKCON Temple NGO)	(i)		Across India		₹2,25,000/-	No	ISKON Temple
TOTAL						₹46,25,000/-		

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

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

(d) Total amount spent for the financial year (a+b+c): **₹ 46.25 Lakh**

(e) 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
₹46,25,000/-	₹73,75,000/-	31.03.2023	-	-	-

*Unspent Amount of ₹73,75,000/- (Rupees Seventy Three Lacs and Seventy Five Thousand Only) was meant to be allocated in setting up a 50 bedded Multi-specialty Hospital in the NCR Region under the aegis of APL Apollo Foundation. Since Hospital Project under APL Apollo Foundation is under final consideration for construction, hence as per Indian Companies Act, 2013 read with Companies (CSR) Rules, 2014, amount allocated to it, has now been transferred and kept in the separate account styled as 'Unspent CSR Account'. As and when, APL Apollo Foundation requires the fund the same will be transferred to it.

(f) 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)	109.94 Lakh
(ii)	Total amount spent for the Financial Year	120 Lakh
(iii)	Excess amount spent for the financial year [(ii)-(i)]	10.06 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)]	10.06 Lakh

7. Details of Unspent CSR amount for the preceding three financial years: **NA**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial year: **NA**

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

Sd/-

Mr. Sameer Gupta
(Chairman & Managing Director)

Place: Noida

Date: May 08, 2023

Sd/-

Mr. Ashok Kumar Gupta
(Chairman - CSR Committee)

Annexure - D

DISCLOSURE PURSUANT TO SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 (CHAPTER IX) FOR CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**I. CONSERVATION OF ENERGY****Steps taken or impact on conservation of energy:**

- (a) To know the energy utilization, Company has installed sub-meters on each machine at every mill, to record the energy utilization at machine level. Energy meters installed are being monitored on regular basis & supporting data is made available for POWER MIS, basis which we keep tracking the utilization & losses in distribution, thereby taking initiative in optimal utilization of Power and minimizing energy wastage at each level. Necessary decisions to upgrade/ revamp equipment are accordingly taken for making each equipment energy efficient and in turn saving cost.
- (b) Company has installed rooftop solar plant at its manufacturing unit at Dadri, Uttar Pradesh and with a total capacity of 1.11 MW, which gives a saving of approx. 6% on Power cost. Also, Company has an agreement to purchase 4.50 MW electricity generated through solar resources with M/s AMP SOLAR to be used at Dadri Unit by making a capital investment of about ₹1.26 Crore on energy conservation, with minimum savings guarantee in the Power Purchase Agreement. We have already started using the Captive Solar Power, since Oct-22, thereby having additional saving of 13% on Power Cost, (as Solar Power is cheaper than the prevailing rates of DISCOM).

II. TECHNOLOGY ABSORPTION

- (a) The efforts made towards technology absorption: Company is using SAP (Systems Applications and Products) software platform, which has helped in maintaining the whole database at one place, generating timely reports and monitoring of files and data. It enabled proper control over process and also helped the Company in analyzing the losses, rejection, defects, Capacity Utilization and other factors that require attention to bring operational excellence.
- (b) 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.
- (c) Company continues to lay emphasis on development and innovation of in-house technological and technical skills. Constant efforts are being made to upgrade the existing standards and to keep pace with the advances in technological innovations.

III. BENEFITS DERIVED WITH ABOVE EFFORTS

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

IV. FURTHER INITIATIVES TOWARDS ENERGY CONSERVATION IN FY 2022-23

- (a) 200 KVAR IGBT based DC AMF panel installed to improve power factor & minimize loss at 33 KV HT Electricity lines;
- (b) Capacitor Bank of capacity (200 +400) KVAR in Shed-2, (300 +600) KVAR in Shed-1, (150 +300) KVAR in Shed-3, is installed for PF improvement & are presently maintaining an avg. PF of 0.990;
- (c) Started In-house facility of Oil Filtration for hydraulic oil at IMD shed for re-use in equipment;
- (d) Availability of 24x7 breakdown maintenance team, to ensure minimum down time & utilize resources optimally;
- (e) Adopted use of De-scaling Plant for Moulds for increase in Machine Efficiency;
- (f) Adopted Insulation of Chiller Lines to ensure loss of heat during transfer in Shed -3; and
- (g) Modification of Storage area of Fitting Boxes & Pipe Racks for better & efficient storage of FG, thereby reducing the cost towards inventory Management.

V. WAY FORWARD TOWARDS ENERGY CONSERVATION IN THE YEARS AHEAD

- (a) Replacement of old equipments with new and more energy efficient ones.
- (b) Upgradation of Machines with more of IOT enabled equipments capable of digital data transfer for A.I and Virtual control.
- (c) Creation of backup at every level for optimal utilization of resources & uninterrupted operations 24x7.
- (d) Adopting & using means for reduction in Machine efficiency & generation of scrap like :
 - a. Use of treated water by installation of RO Plant;
 - b. Insulation of Chiller Lines in other Sheds to ensure loss of heat during transfer;
 - c. Proper disposal of scrap- recording & monitoring for implementing efficient means;
 - d. Implementation of Centralized Barrel de- gassing Pumps in PVC & CPVC Extruders for collection of compound Dust for its efficient re- use;
 - e. Installation of Automatic Feeding Conveying system to IMD & Extruder Hoppers; and
 - f. Implementation of Flow meters on every submersible pumps for extraction of Ground water & inlet of every Cooling Tanks for measurement of annual intake of Ground water & loss of water due to evaporation in Cooling Towers. This will help in having records of usage & discharge of Ground water, enabling us to further adopt efficient means for its conservation.

VI. RESERCH & DEVELOPMENTS

Existing:

- (a) Added 2 new HDPE machines along with Utilities, thereby enhancing HDPE Mfg. Capacity to 22,000 MT annually;
- (b) Launched New Products in PPR – 40 SKU in PPR Pipes & 82 SKU in PPR Fittings;
- (c) Launched eco tank variant of water tank (economic range) for better penetration in market;
- (d) Established in house Training center for continuous training to workmen for their skill development & continuous improvement towards Learning & development of work force; and
- (e) Adopted Logistics Management Service from M/s Super Procure for online spot bidding by multiple transporters on daily basis, thereby availing better offer & uninterrupted vehicles for dispatch thereby reducing TAT.

WAY AHEAD

- (a) Planned to spend ₹5 Crore towards creating of R&D facility for betterment of Quality & continuous improvement of quality of Products with a view to introduce new & innovative environment friendly products;
- (b) Planned to invest in enhancing the storage capacity of WT, thereby reducing the Service time; and
- (c) Planned to invest in enhancing storage capacity of PVC pipes for better & efficient Inventory Management.

VII. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakh)

Particulars	FY 2022-23	FY 2021-22
Foreign exchange earnings	162.40	279.51
Foreign exchange outgo	42657.80	24,845.57

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

Sd/-

Sameer Gupta

Chairman & Managing Director

(DIN: 00005209)

Place: Noida

Date: July 25, 2023

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, 2023, the Board of Directors consists of 6 (Six) Directors out of which 2 (Two) are Executive Directors and 4 (Four) are Non-Executive Directors. Out of 4 (four) Non-executive Directors, 3(three) are Independent Directors.

Relevant details of the same are as given hereunder:

Name of Director(s)	Category	No. of Board Meetings attended during FY 2022-23	Attendance in last AGM held on 27 th September, 2022	No. of equity shares/ convertible warrants held	No. of other Directorships and Committee Memberships / Chairmanships		
					Other Directorship [§]	Other Membership ^{**}	Other Chairmanship ^{**}
Mr. Sameer Gupta	P, CMD & E	5	Present	96,72,762	-	-	-
*Mr. Arun Agarwal	Jt. MD & E	NA	NA	400 [^]	-	-	-
**Mr. Sanjay Gupta	NEC	2	Absent	-	4	-	-
^w Mr. Saket Agarwal	NE	1	NA	-	0	-	-
[@] Ms. Neeru Abrol	NE & I	5	Present	Nil	3	5	2
[@] Mr. Pradeep Kumar Jain	NE & I	5	Present	Nil	-	-	-
Mr. Abhilash Lal	NE & I	4	Present	Nil	2	3	-
^Y Mr. Ashok Kumar Gupta	NE	3	Absent	Nil	3	3	-

[#]There is no relationship inter se between the Directors except that Mr. Sanjay Gupta is elder brother of Mr. Sameer Gupta.

P= Promoter, CMD= Chairman & Managing Director, JMD= Joint Managing Director, NEC= Non-executive Chairman, NE= Non-Executive Director, I= Independent Director and E= Executive Director.

^{**}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.

^ Mr. Arun Agarwal has also been allotted 500,000 convertible warrants in the Board Meeting held on March 14, 2023. Shareholder's approval of the same has been accorded in the EGM duly convened on April 13, 2023.

Note:

- #Mr. Arun Agarwal (DIN:10067312) was appointed as Additional Director on March 14, 2023 and designated as Joint Managing Director w.e.f. April 01, 2023 and the said appointment was subsequently approved by the Members in the duly convened EGM held on April 13, 2023.
- ##Mr. Sanjay Gupta (DIN: 00233188) has resigned from the directorship w.e.f. March 14, 2023.
- ^Mr. Ashok Kumar Gupta (DIN: 01722395) was appointed in place of Mr. Saket Agarwal as Director(Non-Executive in the category of Non- Independent) w.e.f. May 06, 2022 and the said appointment was subsequently approved by the Shareholders through Postal Ballot on July 06, 2022.
- ^vMr. Saket Agarwal (DIN: 00203084) Non-Executive Director in the category of Non- Independent has resigned from the directorship w.e.f. May 06, 2022.
- ©Mr. Pradeep Kumar Jain (DIN:08063400) and Ms. Neeru Abrol (DIN: 01279485) was reappointed as Independent Directors of the Company w.e.f. January 30, 2023.

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
Mr. Ashok Kumar Gupta	APL Apollo Tubes Limited	Director
	Shalimar Paints Limited	Managing Director
Ms. Neeru Abrol	TCNS Clothing Co. Ltd.	Independent Director
	APL Apollo 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 2022-23 i.e. on May 06, 2022, July 26, 2022, November 12, 2022, January 24, 2023 and March 14, 2023. 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" and the Code for Independent Directors Schedule IV of the Companies Act, 2013)

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

Further, in the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are

independent of the management. No Independent Director is related to any other Director of the Company.

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

In accordance with the provisions of Schedule IV of the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on January 24, 2023. Mr. Abhilash Lal was unanimously elected as Chairman of the meeting and all the Independent Directors of the Company were present at the said Meeting. The meeting was conducted in terms of agenda items and proceedings was satisfactory to the Members. No material observation was found in their meeting.

At the said meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairman after taking into account the views of the Executive Directors and Non-Executive Directors. The Independent Directors also reviewed the quality, content and

timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

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

4. Familiarization Programme for Independent Directors

In accordance with the provisions of Regulation 25(7) of the Listing Regulations, the Company has been conducting various familiarization programmes for Independent Directors. The

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

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

6. Performance Evaluation

The Board of Directors has made formal Annual Evaluation of its own performance, and that of its committees and Individual Directors (including Independent Directors) pursuant to the provisions of the Act and the corporate governance requirements as prescribed under the Listing Regulations.

Some of the performance indicators for such evaluation include:

- Attendance at Board Meetings/Committee Meetings.
- Quality of participation in Meetings.
- Ability to provide leadership.
- Commitment to protect/enhance interests of all the stakeholders.
- Contribution in implementation of best governance practices.
- Understanding critical issues affecting the Company.
- Bringing relevant experience to Board and using it effectively.

Independent Directors have also made formal Annual Evaluation of performance of Non - Independent Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under the Listing Regulations.

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

details of such familiarization programmes for Independent Directors have been disclosed on the website of the Company, the web link for which is https://www.apollopipes.com/media/product/Familiarization%20Programme%20for%20Independent%20Directors_24.01.2023.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.

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

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

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

7. Audit Committee

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

Brief description of terms of reference

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

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 Act;
 - 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 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 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, 2023, Audit Committee comprised of four Directors and out of which three are Independent Directors. The Chairperson of the committee is a Non-Executive Independent Director. All the Members of the committee have good financial and accounting knowledge. The Auditors and Chief Financial Officer (CFO), are invitees to the meetings and the Company Secretary acts as a Secretary of the Committee.

During the year under review, 5 (five) meetings of the Audit Committee of the Board were held i.e. on May 06, 2022,

July 26, 2022, November 12, 2022, January 24, 2023 and March 14, 2023. The composition of the Audit Committee as on March 31, 2023 and the meetings attended by its members are as under:

S. No	Name of Director	Status	No. of meetings attended
1	Mr. Abhilash Lal	Chairman	4
2	Mr. Sameer Gupta	Member	5
3	Ms. Neeru Abrol	Member	5
4	*Mr. Pradeep Kumar Jain	Member	5

*Mr. Abhilash Lal was appointed as Chairman of Audit Committee of Board in place of Mr. Pradeep Kumar Jain w.e.f. May 07, 2022.

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

8. Nomination and Remuneration Committee (NRC)

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

Brief description of terms of reference

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

- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, KMP, Senior Management and other employees;
- Formulate a familiarization programme to acquaint Directors with the Company and its business etc;
- Formulating the criteria for evaluation of every Director's performance;
- Devising a policy on Board diversity;
- The Committee shall take into consideration and ensure the compliance of provisions of Section 196, read with Schedule V of the Act while appointing and fixing

remuneration of Director(s)/Managing Directors / Whole-time Directors/ Manager;

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

During the year, 4 (Four) meetings of the Nomination and Remuneration Committee were held i.e. on May 06, 2022, November 12, 2022, January 24, 2023 and March 14, 2023. The composition of the Nomination and Remuneration Committee as on March 31, 2023 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	4
2	*Mr. Abhilash Lal	Member	2
3	*Mr. Pradeep Kumar Jain	Member	1
4	**Mr. Sanjay Gupta	Member	1
5	**Mr. Ashok Kumar Gupta	Member	3

*Mr. Abhilash Lal was appointed as Member of Nomination and Remuneration Committee in place of Mr. Pradeep Kumar Jain w.e.f. May 07, 2022.

** Mr. Ashok Kumar Gupta was appointed as Member of Nomination and Remuneration Committee in place of Mr. Sanjay Gupta w.e.f. May 07, 2022. All the recommendations of the Nomination and Remuneration Committee during the year under review were accepted by the Board.

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

8.1 Nomination and Remuneration Policy

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

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

8.2 Remuneration to the Directors

Executive Director:

During the year ended March 31, 2023, Mr. Sameer Gupta, Chairman & Managing Director was paid a salary of ₹ 120 Lakh and no other benefits or payment was made to any other Director(s) and Non- Executive Directors.

Non- Executive Directors:

The Company has paid sitting fees aggregating to ₹20.10 Lakh to all Non-Executive Independent Directors for attending the meetings of the Board and/or committees of Directors, during the financial year 2022-23. Details of sitting fees paid during the year are mentioned under the table below:

(₹ in Lakh)

Particulars of Remuneration	Name of Directors			Total Amount
	Mr. Pradeep Kumar Jain	Ms. Neeru Abrol	Mr. Abhilash Lal	
Name of Non- Executive Directors	Mr. Pradeep Kumar Jain	Ms. Neeru Abrol	Mr. Abhilash Lal	
Fee for attending Board/ Committee Meetings	6.75	7.70	5.65	20.10

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 herein before. There are no pecuniary relationship or transactions between the Company and its Non-Executive Directors.

Service contracts, Notice Period, Severance Fee

The Chairman & Managing Director and Executive 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.

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

- i. 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;
- ii. relationship between remuneration and performance is clear and meets appropriate performance benchmarks; and
- iii. remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay, reflecting short, medium and long-term performance objectives appropriate to the working of the Company and its goals.

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

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

9. Stakeholders Relationship Committee

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

Brief description of terms of reference

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

During the year, one meeting of the Stakeholders Relationship committee was held on January 05, 2023.

The composition of the Stakeholders Relationship Committee as on March 31, 2023 is as under:

S. No.	Name of Director(s)	Status	No. of meetings attended
1	Ms. Neeru Abrol	Chairperson	1
2	Mr. Sameer Gupta	Member	1
3	Mr. Pradeep Kumar Jain	Member	1

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

The Company Secretary acts as the Secretary to the Committee.

There were no Complaints pending at the beginning of the year and during the year, no investor complaint was received by RTA or Company. As on March 31, 2023, No Investor grievance was pending to be resolved.

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

10. Corporate Social Responsibility (CSR) Committee

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

During the year one (1) meeting of the CSR Committee was held on May 06, 2022. The composition and the attendance of Directors at the meeting is as under:

Sl. No.	Name of Director(s)	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. Ashok Kumar Gupta	Director (Chairman)	1	0
2	Mr. Sameer Gupta	Chairman & Managing Director (Member)	1	1
3	Mr. Abhilash Lal	Independent Director (Member)	1	0
4	**Mr. Pradeep Kumar Jain	Independent Director (Chairman)	1	1
5	***Mr. Sanjay Gupta	Director (Member)	1	1

*With effect from 7th May,2022, Mr. Ashok Kumar Gupta has assumed the Chairmanship of Committee.

**on account of the reconstitution of Committee, Mr. Pradeep Kumar Jain has ceased to be the Chairman in the Committee.

***Mr. Sanjay Gupta has voluntarily resigned w.e.f. 14th March, 2023 from the Company.

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

The Annual Report on CSR activities containing the all requisite details (including brief of CSR Policy, CSR Committee as well as expenditure details) forms part of Board's Report.

The Company Secretary acts as the Secretary to the Committee.

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
2021-22	Through Video Conferencing/ other Audio Visual means (OAVM)	Tuesday, 27 th September, 2022 at 11:00 AM.	No Special Resolution was passed in the meeting.
2020-21	Through Video Conferencing/ other Audio Visual means (OAVM)	Thursday, 2 nd September, 2021 at 01:00 PM.	No Special Resolution was passed in the meeting.
2019-20	Through Video Conferencing/ other Audio Visual means (OAVM)	Tuesday, 29 th September, 2020 at 04:00 PM.	No Special Resolution was passed in the meeting.

B. Resolutions passed through Postal Ballot during Financial Year 2022-23

Description (Nature of Resolution)	Date of Notice	Date of Dispatch of Postal Ballot Forms to Members	Last date for receiving the Postal Ballot forms including e-voting	Date of passing resolution
1) To consider and approve remuneration of Managing Director.	May 06, 2022	June 06, 2022	July 6, 2022	July 6, 2022
2) Appointment of Mr. Ashok Kumar Gupta (DIN: 01722395) as Director (Non Executive and Non-Independent) (Ordinary Resolution).				
3) To consider and approve the Re-appointment of Ms. Neeru Abrol (DIN: 01279485) as an Independent Director of the Company (Special Resolution).				
4) To consider and approve the Re-appointment of Mr. Pradeep Kumar Jain (DIN: 08063400) as an Independent Director of the Company (Special Resolution).	Nov 12, 2022	Dec 13, 2022	Jan 13, 2023	Jan 13, 2023

- i. In compliance with Regulation 44 of the Listing Regulations, and in compliance with the provisions of the Act and the Companies (Management and Administration) Rules, 2014, Members were provided with the facility to cast their vote electronically through the e-voting services provided by CDSL on all resolutions set forth in the Notice.
- ii. The Company had appointed Mr. Jatin Gupta, proprietor of M/s Jatin Gupta & Associates, Practicing Company Secretary, as scrutinizer to conduct the above instances of Postal Ballot/e-voting process in fair and transparent manner.
- iii. Procedure followed in above postal ballot is as under: – The notice containing the proposed resolutions and explanatory statement were sent to the Shareholders by email in accordance with MCA General Circulars Nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021 and 3/2022 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021 December 8, 2021 and May 5, 2022 respectively. The e-voting period was opened for 30 days. The Scrutinizer submitted the report to the Company. The voting results were announced within 2 working days from the end of the e-voting period. For e-voting, the Company is having agreement with Central Depository Services (India) Limited ('CDSL) for providing e-voting facility to its Shareholders. Under this facility, Shareholders are provided an electronic platform to participate and vote on the resolutions to be passed through Postal Ballot.

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

12. Disclosures

a) Related Party Disclosure

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

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. Also, there are no Loans and Advances in the nature of loans to firms/companies in which Directors are interested by name and amount.

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

Suitable disclosures as required by the Indian Accounting Standards-24 has been made in the Note no. 37 to the Financial Statements.

Note: As per clause 5A to para A of part A of schedule III of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendments) Regulations, 2023, there are no such agreements exists with the Company as on the date of notification of this clause.

b) Management Discussion and Analysis Report

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

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

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

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

(iii) The Company's financial statements are with unmodified audit opinion. A declaration to this effect, duly signed by the Chief Financial Officer has also been furnished. There are no audit qualifications on the financial year 2022-23

d) 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 Market

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

e) 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 constituted an Internal Complaints Committee at its work place(s) to redress the complaints of women employees.

No complaints pending at the beginning of the year and during the year under review, no complaints were received under the said Act, and same is mentioned in Business Responsibility and Sustainability Report which forms part of this report.

f) Risk Management

As per the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, effective from May 05, 2021, every Listed 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.

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-third of the Risk Management Committee shall comprise of 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	Ms. Neeru Abrol	Member
3	Mr. Pradeep Kumar Jain	Member
4	Mr. Abhilash Lal	Member

Brief description of terms of reference

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

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

During the year 2 (two) meetings of the Risk Management Committee was held on July 11, 2022 and January 05, 2023. The composition and the attendance of Directors at the meetings are as under:-

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

The Company Secretary shall act as Secretary of the Committee.

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

g) Vigil Mechanism / Whistle Blower policy

In compliance with provisions of Section 177 (9) of the Act and Regulation 22 of the Listing Regulations the Company has framed a Vigil Mechanism / Whistle Blower Policy and the same has also been placed on the website of the Company. None of the employees of the Company has been denied access to the Audit Committee. 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/Whistle%20Blower%20or%20Vigil%20Mechanism%20Policy%20of%20Apollo%20Pipes%20Ltd.pdf>

h) Subsidiary Companies

During the year under review, Company has no subsidiary.

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

i) 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 2022-23.

13. List of all credit ratings obtained by the Company along with any revisions thereto during the financial year ended March 31, 2023

During the year under review, the Rating agency CRISIL has reaffirmed its rating to A/Stable for the Company’s long term borrowings and rating for short term borrowings is reaffirmed to CRISIL A1. These ratings were reaffirmed for the Bank loan facilities amounted to ₹220.2 Crore.

Company also have reaffirmed credit rating of Bank loan facilities of ₹50 Crore from ICRA Limited depicting that Long Term Rating “[ICRA]A(Positive)/A 1” and outlook revised to positive from stable and Short Term Rating “[ICRA]A1”.

14. Means of communication

i. Publication of quarterly/half yearly /annual results

Quarterly, half yearly and Annual financial results are normally published in Business Standard, Economic Times Nav Bharat Times etc. and are promptly submitted with the Stock Exchanges. The results are also displayed on the website of the Company at www.apollopipes.com.

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

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

ii. Press release

To provide information to investors, quarterly production figures and other press releases are sent to the Stock Exchanges as well as are displayed on the Company's website i.e. <https://www.apollopipes.com/investor-relations#investor> before it is released to the media.

iii. Presentations to analysts:

Four presentations were made to analysts/investors during the financial year 2022-23. The same are available on the Company's website i.e. <https://www.apollopipes.com/investor-presentations#investor>. 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 23, 2023 at 11.00 AM Saturday.

Venue: Through Video Conferencing (VC)/OAVM

ii. Financial calendar (tentative and subject to change)

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

Period	Board Meetings
Unaudited results for first quarter ended June 30, 2023	*On or before August 14, 2023
Unaudited results for second quarter/ half year ended September 30, 2023	*On or before November 14, 2023
Unaudited results for third quarter/ nine months ended December 31, 2023	*On or before February 14, 2024
Audited results for the financial year 2023-24	*On or before May 30, 2024

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

Dividend Payment: The dividend of ₹0.60/- per equity share for financial year 2022-23, has been recommended by the Board of Directors, subject to the approval of Shareholders. The same shall be paid after September 23, 2023 but within the statutory time limit.

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 2022-23 & 2023-24.

ISIN Code for the Company's Equity Shares: INE126J01016

iv. Distribution schedule as at March 31, 2023

Nos. of equity shares held	Shareholders		Shares held	
	Number	%	Number	%
Upto 5,000	35581	92.97	1944054	4.9432
5,001-10,000	1155	3.01	827212	2.1034
10,001-20,000	689	1.80	999763	2.5421
20,001-30,000	290	0.75	728687	1.8528
30,001-40,000	146	0.38	507861	1.2913
40,001-50,000	79	0.20	357069	0.9079
50,001-1,00,000	180	0.47	1318990	3.3538
1,00,001 & Above	151	0.39	32644570	83.0055
Total	38271	100	39328206	100

v. Shareholding pattern as on March 31, 2023

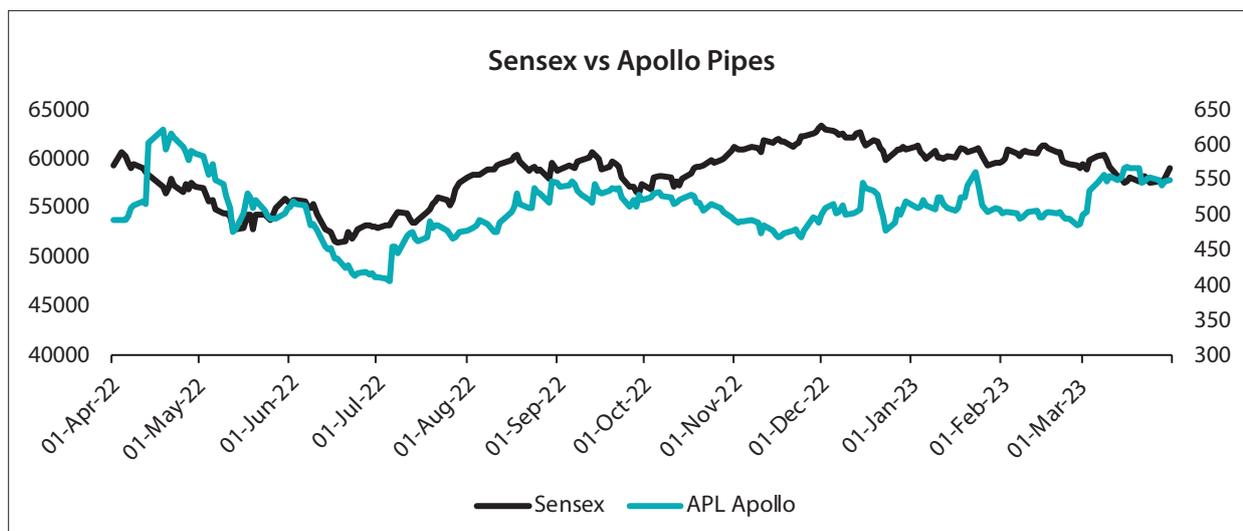
Category	No. of shares held	Percentage of shareholding
Indian Promoters	20464200	52.03
FII/Foreign Investors/NRIs	1410338	3.59
Mutual funds/ Financial Institutions/Banks	4580244	11.65
Individuals/Trusts/Employee Trust	10768111	27.38
Clearing Members/ Hindu Undivided Families	571716	1.45
Domestic Bodies Corporate	1140232	2.9
Alternative Investment Funds/Pension Funds/Provident Fund	393365	1
Total	39328206	100.00

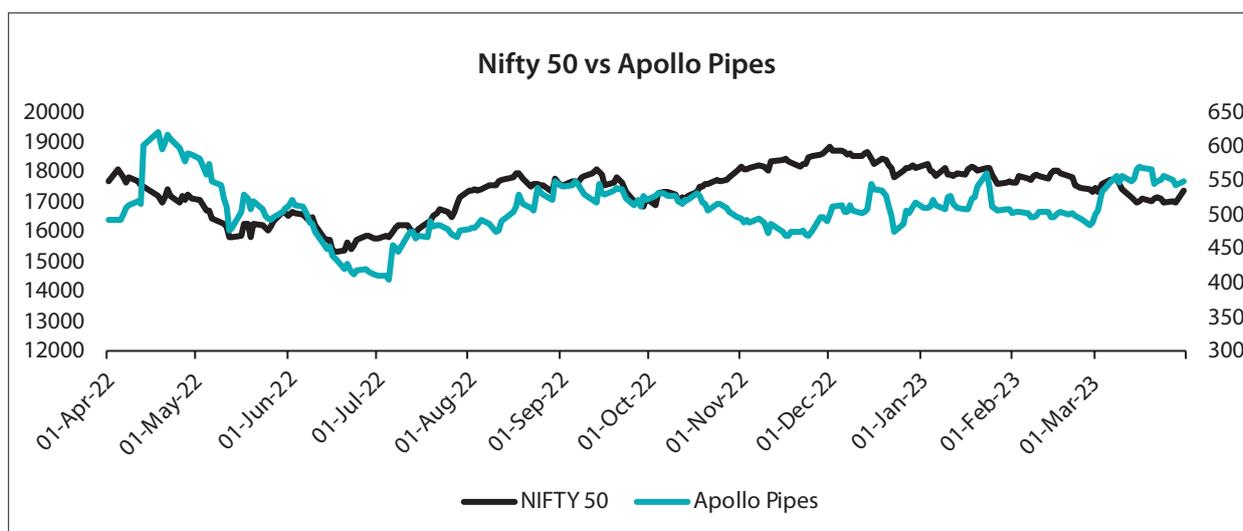
vi. Market price data

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, 2022	635.70	478.05	40,920	633.00	484.50	5143846
May, 2022	613.90	472.40	21,172	615.00	473.00	1790940
June, 2022	529.20	404.90	12,186	529.80	409.00	994144
July, 2022	501.00	395.00	15,138	500.00	402.20	1732369
August, 2022	564.35	424.15	15,968	565.00	472.55	1900950
September, 2022	562.70	500.10	14,286	563.00	504.00	1690305
October, 2022	554.95	476.65	8,912	552.00	493.05	873886
November, 2022	508.45	452.00	11,980	511.00	437.10	1029707
December, 2022	554.35	461.05	14,877	554.65	471.25	1487009
January, 2023	580.00	495.25	18,595	580.00	496.55	2116344
February, 2023	529.00	481.05	8,611	515.65	480.60	622720
March, 2023	578.25	488.70	14,487	577.90	488.45	1839299

(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.

Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue securities in dematerialized form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

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

Demat/Remat and related operations for Apollo Pipes Limited are also handled by M/s Beetal Financial & Computer Services Private Limited (Registrar and Share Transfer Agent).

viii. Unclaimed Dividends

Pursuant to provisions of Section 125 of the Act, the dividends which have remained unpaid / unclaimed for a period of Seven (7) years from the date of transfer the unpaid dividend amount is mandatorily required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The dividend status remaining unclaimed is given hereunder:

Financial year	Dividend Per Share (₹)	Date of Declaration	Due date for transfer to IEPF	Amount in Unpaid Account
2018-2019 (Final Dividend)	1.00	September 28, 2019	November 03, 2026	61,212/-
2021-2022 (Final Dividend)	1.00	September 27, 2022	November 02, 2029	38,929/-

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, 2023, 99.95 % of the Company's total Equity Shares representing 3,93,11,156 shares were held in dematerialized form and 17,050 shares representing 0.043% of Paid-up Share Capital were held in physical form.

x. Outstanding ADRs/ GDRs

There were no outstanding GDRs/ ADRs as on March 31, 2023.

xi. Warrants and other convertible instruments

There were no warrants outstanding for conversion as on March 31, 2023.

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.

Note: During the year, there was no Preferential Allotment made, however allotment of warrants was approved in the meeting of Finance Committee of Board held on 10th May, 2023 after the closure of Financial Year 2022-23 & subsequently shares were allotted post receipt of 25% of subscription amount.

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

xv. During the financial year ended March 31, 2023, the Company has no subsidiary

During the financial year ended March 31, 2023, the Company have paid total fees for various services including Statutory Audit and Tax Audit amounting to ₹12.00 Lakh, to the Statutory Auditor, namely M/s. VAPS & Company, Chartered Accountants. Further, no fees other than above was paid by the Company to any entity in the network firm/ network entity of which the Statutory Auditor is a part.

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

Apollo Pipes Limited
CIN: L65999DL1985PLC022723
37, Hargobind Enclave,
Vikas Marg, Delhi – 110092
Phone: 91-11-44457164/91-120-6587777
Fax 011-22373537
Mail:compliance@apollopipes.com; akjain@apollopipes.com

xvii. Registrar and Share Transfer Agent:

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

xviii. Plant Locations:

Unit – 1

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

Unit-3

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

Unit 5

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

Unit –2

Plot No. D-20 & E-6, E-4 & E-8 Industrial Area, Sikanderabad, Bulandshahar, Uttar Pradesh - 203205

Unit-4

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

xix. Stock Exchanges: BSE Limited

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

National Stock Exchange of India Limited

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

xx. Depositories**National Securities Depository Limited**

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

Central Depository Services (India) Limited

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

16. Code of Conduct

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

The Company is having following officers in senior management position in the Company (as defined under Regulation 16 of the Listing Obligations):

S. No.	Name	Designation	Date of joining	Brief Profile
1.	Mr. Dwarika Nath Panda	Chief Operating Officer	20-08-2021	Mr. Dwarika Nath Panda is a Techno-commercial professional with B. Tech. (Chem.Tech.), M. Tech. (Industrial Engineering) & MBA (Finance) having 35 years' experience. In the senior management position he was responsible for P&L, Channel management, Sales growth, HR development and Manufacturing Operations for multi-location units, Supply Chain Management, Projects and contracts management at multi-locations, Materials Management across Industries (FMCG-Food Products, Consumer Durables, Industrial Products) in Continuous Process and Batch Process with last 15 years in Leadership role of operations and end to end supply chain.
2.	Mr. Ajay Kumar Jain	Chief Financial Officer	01-04-2011	Mr. Ajay Kumar Jain is a Chartered Accountant with 25 years of experience in Listed and Unlisted Companies. He has varied experience in the field of Accounts, Finance, Taxation, Treasury and Commercial Matters. He has rich and varied experience in Financial & strategic planning, Financial Management and Accounting, Auditing and Taxation, Implementing MIS, Budgeting, Risk Management, Compliances etc.
3.	Mr. Ankit Sharma	Company Secretary	15-07-2019	Mr. Ankit Sharma is a Company Secretary from Institute of Company Secretaries of India. He also holds a bachelor degree in Law from CCS University. He has rich and varied experience in Company Secretarial and Legal functions of Listed Companies and have handled corporate legal compliances under various statutes.

During the year under review, there was no change in senior management positions in the Company.

Further, in terms of Regulation 30A of Listing Regulations, there are no such agreements that require to be disclosed in the Annual Report.

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

18. Compliance certificate of the Practicing Company Secretary

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

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

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

19. Code for prevention of insider trading

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

On behalf of the Board of Directors of
Apollo Pipes Limited

Sd/-
(Sameer Gupta)
Chairman & Managing Director
DIN: 00005209

Date: July 25, 2023
Place: Noida

Annexure-CG/1

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In our opinion and to the best of our information and according to the verifications including Directors Identification Number (DIN) status at the portal "www.mca.gov.in" as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below for the financial year ended on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No.	Name of Directors	DIN (Director Identification Number)	Date of appointment in company
1	Mr. Sameer Gupta	00005209	05/01/2011
2	Mr. Pradeep Kumar Jain	08063400	30/01/2018
3	Ms. Neeru Abrol	01279485	30/01/2018
4	Mr. Abhilash Lal	03203177	22/03/2020
5	Mr. Ashok Kumar Gupta	01722395	06/05/2022
6	Mr. Arun Aggarwal	10067312	14/03/2023

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

For Anjali Yadav & Associates
Company Secretaries

Sd/-
Anjali Yadav
Proprietor
FCS No.: 6628
CP No.: 7257

UDIN: F006628E000671798
PR Unique Code: S2006DE715800
PR Certificate No.: 629/2019

Place: New Delhi
Date: July 25, 2023

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

To
The Members of,
Apollo Pipes Limited

This is to confirm that the Board of Directors of the Company has laid down a Code of Conduct for its Members and Senior Management Personnel of the Company. The same has also been posted on the Company's website. It is further confirmed that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2023 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, 2023.

On behalf of the Board of Directors of
Apollo Pipes Limited

Sd/-
(Sameer Gupta)
Chairman & Managing Director
DIN: 00005209

Date: May 08, 2023
Place: Noida

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, 2023 and that to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We hereby declare that all the Members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (d) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- (e) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

Sd/-

(Sameer Gupta)
Chairman & Managing Director

Date: May 08, 2023
Place: Noida

Sd/-

(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 the Apollo Pipes Limited ("the Company") for the year ended March 31, 2023 as stipulated in regulation 17 to 27, clause (b) to (i) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) ("SEBI Listing Regulations") pursuant to the Listing Agreement of the Company with the Stock Exchanges in India.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2023.

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

Restriction on use

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

For Anjali Yadav & Associates
Company Secretaries

Sd/-
Anjali Yadav
Proprietor
FCS No.: 6628
CP No.: 7257

UDIN: F006628E000671820
PR Unique Code: S2006DE715800
PR Certificate No.: 629/2019

Place: New Delhi
Date: July 25, 2023

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN)	L65999DL1985PLC022723
2.	Name of the Listed Entity	Apollo Pipes Ltd.
3.	Year of incorporation	1985
4.	Registered office address	37, Hargobind Enclave, Vikas Marg, Delhi – 110092
5.	Corporate address	Plot No. A-140, Sector-136, Noida, Uttar Pradesh – 201301
6.	E-mail	compliance@apollopipes.com
7.	Telephone	91-11-44457164
8.	Website	https://www.apollopipes.com/
9.	Financial year for which reporting is being done	FY 2022 - 2023
10.	Name of the Stock Exchange(s) where shares are listed	BSE, NSE
11.	Paid-up Capital	₹ 39,32,82,060
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Ajay Kumar Jain, Chief Financial Officer, Tel.No.: 0120-658777
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	This report is being prepared on Standalone basis for Apollo Pipes only.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturer of Plastic Products	Apollo Pipes manufactures a wide range of plastic products such as cPVC, uPVC, HDPE Pipes and Fittings	95%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/ Service	NIC Code	% of total Turnover contributed
1.	cPVC, uPVC, HDPE Pipes and Fittings	222	95%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	5	2	7
International		NIL	

17. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	In India, Apollo Pipes Limited has five main operational manufacturing locations, two at U.P, one at Ahmedabad, one at Bengaluru, and one at Raipur.
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity? : 0.002%

c. A brief on types of customers

The Apollo Pipes Limited serves a wide range of customers across various sectors. Some of the key customer segments for the company includes:

- **Agriculture Segment:** Majority of the products sold here are Casing pipes, Drip Irrigation System, Sprinkler System, Bore well pipes.
- **Water Management Segment:** Majority of the products sold here are Hot & cold potable water distribution & transportation, Residential, Commercial installations.
- **Construction Segment:** Majority of the products sold here are Sanitation & Sewage Pipes, Plumbing pipes.
- **Oil & Gas Segment:** Conveying edible oils and chemicals & corrosive fluids.
- **Telecom Ducting**

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and Workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	434	421	97.00	13	3.00
2	Other than Permanent (E)	0	0	0	0	0
3	Total Employees (D + E)	434	421	97.00	13	3.00
WORKERS						
4	Permanent (F)	210	209	99.52	1	0.48
5	Other than Permanent (G)	65	65	100.00	0	0
6	Total Workers (F + G)	275	274	99.64	1	0.36

b. Differently Abled Employees and Workers:*

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	0	0	0	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	Total differently abled employees (D+ E)	0	0	0	0	0
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total Differently Abled Workers (F+G)	0	0	0	0	0

*Though Apollo Pipes does not have any differently abled employees or workers at present, all the facilities such as offices and warehouses have been made accessible for differently abled visitors.

19. Participation/Inclusion/Representation of Women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67%
Key Management Personnel(s)	4	0	0%

20. Turnover rate for Permanent Employees and Workers (Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in Current FY)			FY 2021-22 (Turnover rate in Previous FY)			FY 2020-21 (Turnover rate in the Year prior to the Previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	31%	38%	31%	22%	19%	22%	26%	38%	26%
Permanent Workers	18%	100%	18%	8%	0%	8%	25%	100%	26%

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)**21. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
			NA	

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

(ii) Turnover for the year ended 31 March, 2023 (in ₹): 9,14,52,34,269.00

(iii) Net worth as at 31 March 2023 (in ₹): 4,57,21,65,805.00

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If Yes, then provide web link for grievance redress policy)	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending for resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending for resolution at the close of the year	Remarks
Communities	Y	0	0	-	0	0	-
Investors (other than Shareholders)	Y	0	0	-	0	0	-
Shareholders	Y	0	0	-	0	0	-
Employees and Workers	Y	0	0	-	0	0	-
Customers	Y	295	All Resolved	-	70	0	All Resolved
Value Chain Partners	Y	0	0	-	0	0	-
Other	-	-	-	-	-	-	-

A Grievance Redressal Mechanism is in place. The web link for the same is:

<https://www.apollopipes.com/media/product/Whistle%20Blower%20or%20Vigil%20Mechanism%20Policy%20of%20Apollo%20Pipes%20Ltd.pdf>

24. Overview of the Entity’s Material Responsible Business Conduct Issues

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Customer Relationship Management	Opportunity	<p>Opportunity</p> <p>By placing Customer's preferences as a top priority, we can effectively nurture customer loyalty and elevate customer retention rates.</p> <p>We engage in customer satisfaction surveys to collect feedback and gain valuable insights from our valued clientele.</p>	-	<p>Positive</p> <p>Contented customers are more likely to engage in repeat purchases and potentially increase their spending with a manufacturer. Consequently, this can lead to a surge in sales volumes and foster revenue growth.</p> <p>Creating differentiation from competitors and offering compelling reasons for customers to choose our products over other alternatives are essential aspects of our business strategy.</p>

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Code of Conduct	Risk	Risk Non-compliance with business processes and regulatory requirements carries a substantial risk of negatively impacting both the Company's reputation and the well-being of its employees.	The Company ensures that its employees and value chain partners are well-informed about the code of conduct, and regular checks are conducted to verify compliance. The Ethics Committee at Apollo Pipes ensures consistent monitoring and resolution of all ethics and compliance matters in alignment with various policies.	Negative This significantly affects the brand reputation within the industry, resulting in financial losses.
3	Investment in new technologies	Opportunity	Opportunity Investing in Green technologies provides a multitude of advantages, spanning from market expansion and cost savings to regulatory compliance and an enhanced brand reputation.	-	Positive By obtaining a competitive advantage, the Company can position itself for sustained long-term success.
4	Energy Management	Opportunity	Opportunity Energy conservation strategies often involve enhancing the efficiency of processes, equipment, and systems.	-	Positive Reduced utility costs and operational expenses lead to enhanced profitability. Enhanced productivity, reduced downtime and optimized operations and contribute to an overall increase in corporate efficiency.
5	Waste Management	Opportunity	Opportunity By recycling and reusing plastic waste, businesses can effectively reduce both waste disposal costs and the expenses associated with purchasing new raw materials.	-	Positive Promoting recycling programs can lead to long-term gains in resource and economic efficiency.
6	Water Management	Risk / Opportunity	Risk Insufficient water supply or fluctuations in water availability can significantly affect production schedules, leading to delays, downtime, or reduced productivity. Opportunity Implementing water conservation methods can lead to substantial cost savings by reducing water usage and associated expenses, including those related to water supply and waste water treatment.	Apollo pipes strive to embrace zero waste water discharge practices. Apollo pipes aim to achieve zero water discharge facilities.	Negative Penalties and fines may be imposed for non-compliance with water pollution regulations. Positive Implementing long-term cost-saving measures can result in improved financial performance.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses to demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and its Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.apollopipes.com/bsr-policies#investor								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the National and International codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001 (Quality Management System)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>P1: Zero case of fines / penalties / punishment from any regulatory/ enforcing agency in reporting year.</p> <p>P3: Zero fatalities for employees</p> <p>P4: 100% concerns raised by stakeholders to be addressed in a timely manner</p> <p>P5: Zero complaints on human rights related issues</p> <p>P7: Zero adverse orders from regulatory authorities for anti-competitive conduct</p> <p>P9: Zero data privacy breach of customers</p>								
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	All the targets mentioned above w.r.t. their principles are achieved								
Governance, Leadership, and Oversight									
7. Statement by Director responsible for the Business Responsibility Report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)									
ESG will emerge as the most crucial business challenge in the forthcoming years, primarily due to regulatory changes mandating stringent monitoring and reporting of ESG data at the Company level. Moreover, Companies will confront unprecedented levels of extreme weather events such as heatwaves, floods, droughts, and cyclones as the Earth's temperature continues to rise annually due to the over-exploitation of natural resources.									
To address these challenges effectively, Apollo Pipes remains committed to rigorously monitoring and reporting on ESG data. Additionally, the Company will actively plan for reduction measures and decarbonization strategies to fulfill its long-term sustainability commitments.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors								
9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	<p>Yes, the Board of Directors of the Company has constituted a Risk Management Committee which looks after the Sustainability related issues comprising of following Directors:</p> <ol style="list-style-type: none"> 1. Mr. Sameer Gupta, Chairman 2. Mr. Arun Agarwal, Member 3. Mr. Abhilash Lal, Member 4. Mr. Pradeep kumar Jain, Member 5. Ms. Neeru Abrol, Member 								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/Half yearly/ Quarterly/ Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action.	Y	Y	Y	Y	Y	Y	Y	Y	Y										Annually
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances.	Y	Y	Y	Y	Y	Y	Y	Y	Y										Annually

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).

If yes, provide the name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
----	----	----	----	----	----	----	----	----

No external evaluation was undertaken. However, the processes and compliances are subject to scrutiny by Internal Auditors, and regulators, as applicable. Policies are periodically evaluated and updated by various department heads, business heads, and approved by the Management and/or Board.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/ No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**PRINCIPLE 1:**

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators**1. Percentage during coverage by training and awareness programmes on any of the principles the financial year:**

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Health & Safety, Code of Conduct, Cyber-security, POSH	100%
Key Managerial Personnel(s)	1	Health & Safety, Code of Conduct, Cyber-security, POSH	100%
Employees other than Board and KMPs	18	Health & Safety, Skill Upgradation, HIRA	13%
Workers	20	Health & Safety, Skill Upgradation, HIRA, First aid	60%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an Appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NA	NA	NA	NA
Settlement	NA	NA	NA	NA	NA
Compounding fee	NA	NA	NA	NA	NA

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an Appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA
Punishment	NA	NA	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

At Apollo Pipes, we maintain a strong stance against bribery and corruption in all aspects of our operations. Our company strictly adheres to Anti-Bribery and Anti-Corruption policy. We firmly believe in conducting business with integrity and transparency, fostering an environment of trust and fairness. Our commitment to ethical practices ensures that our customers, employees and partners can rely on us to uphold the highest standards of business conduct, free from any form of bribery and corruption.

Link to the policy:

<https://www.apollopipes.com/media/product/Anti-Bribery%20Policy%20of%20Apollo%20Pipes%20Ltd..pdf>

5. Number of Directors/KMPs/Employees/Workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors.	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs.	0	-	0	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There were zero cases of corruption and conflict of interest. Hence, this question is not applicable.

Leadership Indicators**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Nil

2. Does the entity have processes in place to avoid/ manage conflict of interests involving Members of the Board? (Yes/ No) If Yes, provide details of the same.

Yes, the Company has strict measures in place to avoid/manage conflict of interest involving Board Members. Directors and Executives must use extreme caution to prevent 'conflicts of interest' with the Company. If a conflict of interest is probable, he/ she should make full disclosure of all facts and circumstances to the Chairman & Managing Director of the Company and receive prior written consent. Full disclosures must be made under the following circumstances:

- When a Director or Executive acts or has interests that make it impossible for him or her to do his or her job objectively and effectively;
- Inappropriate personal benefits received by a Member of one's family as a result of one's position in the Company;
- Any outside business activity that interferes with an individual's ability to devote adequate time and attention to the Company's duties;
- Any major ownership position in the Company's supplier, customer, or rival; and
- Any consulting or employment relationship with the Company's supplier, customer, business associate, or rival.

PRINCIPLE 2:

Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators**1. Percentage of R&D and Capital Expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and CAPEX investments made by the entity, respectively.**

	Current Financial Year (2022-23)	Previous Financial Year (2021-22)	Details of improvements in environmental and social impacts
R&D*	-	-	NA
Capex	-	-	

*Apollo Pipes is currently doing R&D activities that jointly have environmental and social impacts. It will be reported in the next financial year when we will have a breakdown of activities with their environmental and social impacts along with their monetary expenditure amount.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The Company is mindful of the environmental effect of sourcing and is always working with vendors and suppliers to lessen it.

We are aware that most significant raw material vendors/suppliers operate on a long-term basis. Transportation and Logistics optimization is a continuous effort to decrease relative environmental consequences. We are deliberating on measures to be undertaken to have a higher percentage of sustainably sourced raw materials.

b. If yes, what percentage of inputs were sourced sustainably?

Apollo Pipes is currently mapping the procurement practices as per sustainable sourcing framework. A quantitative number will be provided from the next financial year.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Plastic materials are reused in compliance with the State/Country’s regulatory and standard criteria. In some cases, garbage is sold to registered vendors or transferred to authorized recyclers. Furthermore, Apollo Pipes has agreements in place with authorized organizations at all locations to assist the pickup, recycling, reuse, or safe disposal of these products.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR is applicable to our activities pertaining to plastic packaging production. Apollo pipes has aligned the waste collection plan w.r.t. EPR guidelines

It includes following components:

- a) Setting up of collection infrastructure;
- b) Awareness programs;
- c) Tie-ups with waste management agencies; and
- d) Reporting and compliance

PRINCIPLE 3:

Businesses should respect and promote the well-being of all Employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of Employees:

Category	Total (A)	% of Employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	421	296	70.31	0	0	0	0	0	0	0	0
Female	13	12	92.31	0	0	12	92.31	0	0	0	0
Total	434	308	70.97	0	0	12	2.76	0	0	0	0
Other than Permanent Employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

b. Details of measures for the well-being of Workers:

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	209	2	0.96	0	0	0	0	0	0	0	0
Female	1	0	0	0	0	1	100.00	0	0	0	0
Total	210	2	0.95	0	0	1	0.48	0	0	0	0
Other than Permanent Workers											
Male	65	65	100	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	65	65	100	0	0	0	0	0	0	0	0

2. Details of Retirement Benefits for Current Financial Year and Previous Financial Year.

Benefits	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	No. of Employees covered as a % of total Employees	No. of Workers covered as a % of total Workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	59%	32%	Y	48%	40%	Y
Gratuity	18%	25%	Y	17%	29%	Y
ESI	12%	32%	Y	6%	40%	Y
Other – (NPS)	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

At Apollo Pipes, inclusivity is at the core of our company values. We are dedicated to creating a workplace and accommodating to all individuals, including differently-abled employees. The Company's premises are made access friendly and assistive devices like slope, wheelchairs or walking sticks are made available for people with disability.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

At Apollo Pipes, we firmly believe in providing equal opportunities to all individuals, without any form of discrimination. We are committed to creating a workplace that promotes diversity, and inclusivity, valuing each employee for the unique skills, experiences, and perspective. Our hiring, promotion and development processes are based solely on merit, ensuring that every individual has an equal chance to contribute and succeed within our organization. The company's Business Responsibility Policy covers the rights of persons with disabilities.

The web-link to the policy is <https://www.apollopipes.com/media/product/Policy%20on%20Diversity%20and%20Inclusion%20of%20Apollo%20Pipes%20Ltd..pdf>

5. Return to work and Retention rates of Permanent Employees and Workers that took Parental Leave.

Gender	Permanent Employees		Permanent Workers	
	Return to Work rate	Retention Rate	Return to Work rate	Retention Rate
Male	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL

6. Is there a mechanism available to receive and redress grievances for the following categories of Employees and Workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the company has a robust and detailed Grievance Redressal Mechanism with the overarching goal of protecting our Employees and Directors. Procedures have been put in place to ensure that the process of filing a complaint, investigating it, and finally reaching an acceptable judgement is handled professionally and confidentially.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of Employees and Workers in association(s) or Unions recognized by the listed entity:

Category	FY 2022 - 2023 (Current Financial Year)			FY 2021 - 2022 (Previous Financial Year)		
	Total Employees / Workers in respective category (A)	No. of Employees / Workers in respective category, who are part of Association(s) or Union (B)	% (B/A)	Total Employees / Workers in respective category (C)	No. of Employees / Workers in respective category, who are part of Association(s) or Union (D)	% (D/C)
Total Permanent Employees	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil
Total Permanent Workers	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil

8. Details of training given to Employees and Workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and Safety measures		On Skill Upgradation		Total (D)	On Health and Safety measures		On Skill Upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/A)	Number (F)	% (F/A)
Employees										
Male	421	55	13.06	223	52.97	354	42	11.86	207	58.47
Female	13	0	0	0	0	14	0	0	0	0
Total	434	55	12.67	223	51.38	368	42	11.41	207	56.25
Workers										
Male	209	127	60.77	112	53.59	249	135	54.22	116	46.59
Female	1	0	0	0	0	3	0	0	0	0
Total	210	127	60.48	112	53.33	252	135	53.57	116	46.03

9. Details of performance and career development reviews of Employees and Workers:

Category	FY 2022-2023 (Current Financial Year)			FY 2021 - 2022 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	421	348	82.66	354	294	83.05
Female	13	9	69.23	14	9	64.29
Total	434	357	82.26	368	303	82.34
Workers						
Male	209	182	87.08	249	211	84.74
Female	1	1	100	3	1	33.33
Total	210	183	87.14	252	212	84.13

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The Company understands the worth of a healthy and sound human resource. The Company focuses on ensuring the well-being of all its Employees. We have already put in place a strong health and safety framework for our offices around the country. All office buildings are safe and have safety systems such as fire detection, firefighting, safe means of escape, assembly points, emergency evacuation plans, and so on. We provide frequent safety training to our Employees in order to foster a safe culture throughout the firm.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

To identify and quantify the risks associated with work-related hazards, we conducted a comprehensive hazard identification and risk assessment (HIRA) research. To identify work-related dangers for all normal and non-routine tasks, a hazard identification and risk assessment method is used. We implement risk mitigation methods based on the severity of the hazards, such as engineering, administrative, PPE controls, and so on.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company has procedures in place for Employees to report work-related risks and remove themselves from such hazards.

Some of the processes enabling Workers to report work related hazards:

- Safety committee meetings;
- Daily shop floor meeting;
- Interactions with the plant supervisors during their frequent rounds on the shop floor; and
- The workers are authorized to stop the machine and report to immediate Supervisor whenever they notice work related hazard

d. Do the Employees/ Workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, Apollo Pipes believes in providing an atmosphere in which Employees' financial needs are covered in addition to their remuneration.

Employees have access to non-occupational medical and health care services through Company-organized medical camps where reputable doctors from various disciplines/hospitals are accessible for health checkups and consultation, including online consultation and awareness workshops. Furthermore, every Employee and their designated dependents are covered by either medical insurance or ESI.

11. Details of safety related incidents, in the following formats:

Safety Incident/Number	Category	FY 2022-2023 (Current Financial Year)	FY 2021 - 2022 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

An Internal Safety Committee comprised of one safety in-charge and four supporting Members from cross functional departments conducts safety and health inspections at each Apollo Pipes Premise.

Internal Safety Committee is responsible for:

- Daily Safety round of whole company;
- Noting down of all unsafe conditions;
- Regular in-house safety training and awareness of all employees of the unit;
- Planning and conducting mock-drill on regular intervals;
- Regular monitoring of all firefighting equipment's; and
- Conduct weekly meetings with unit head for review of safety standard of the unit.

13. Number of Complaints on the following made by Employees and Workers:

	FY 2022-2023 (Current Financial Year)			FY 2021 - 2022 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	-	NIL	NIL	-
Health & Safety	NIL	NIL	-	NIL	NIL	-

14. Assessments for the year:

	% of your Plants and Offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No significant risks were found in the assessments.

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, we have life insurance policy for our Employees and Workers under applicable regulations.

Provided Members have been placed in suitable employment.

2. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the Company is always investing in human capital development, which encompasses both the improvement of current skills and competencies and the offer of a range of experiences to Employees. This improve Worker employability and, if desired, provide for a smoother move to other opportunities.

The Company is required to provide a gratuity, unfunded defined benefit retirement plan to qualified Employees. The plan provides for a lump sum payment to vested Employees at retirement, death while on the job, or termination of employment of an amount equal 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 the Company's Gratuity scheme or as per payment of Gratuity Act, whichever is higher. Vesting takes place after five years of service.

PRINCIPLE 4:

Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators**1. Describe the processes for identifying key stakeholder groups of the entity.**

The effect and impact of key stakeholders on the Company's activities are defined. The corporation conducted a materiality review in which it solicited the opinions of external and internal stakeholders via online and offline questionnaires. This approach began with identifying internal stakeholders as Workers and external stakeholders as Investors and Shareholders, Suppliers/ partners, and Customers/Dealers. Furthermore, the firm chose community groups to invest resources on CSR programmes to assure community welfare.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	<ul style="list-style-type: none"> - E-mail - Intranet portal - Newsletters - Employee engagement activities and Surveys - Rewards and recognitions 	Continuous	<ul style="list-style-type: none"> - Employees are the most important assets of the Company and are essential to company's long-term success. They are critical for increasing the Company's competitiveness and confirming its market leadership.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and Investors	No	<ul style="list-style-type: none"> - Annual General Meeting - Investor Relations Web Page - Quarterly condensed financial statements - Annual Report - Investor conference calls - Television Interviews - Press Releases 	Quarterly, Half yearly & Annually and as and when required	- Announcing Financial Results, Dividend Updates, Annual Reports, Intimation to Physical Shareholders regarding Dispute Resolution Mechanism etc.
Customers	No	<ul style="list-style-type: none"> - Engagement through website, social media, in-store promotions - Brand campaigns conducted regularly, during festive seasons and sales promotions 	Continuous	- End consumers hold a paramount role as key stakeholders, as their satisfaction and delight constitute a pivotal component of our strategy for achieving success.
Supply Chain Partners	No	<ul style="list-style-type: none"> - One to-one meetings - Regular operational reviews 	Continuous	- The Company collaborates with the suppliers to maintain seamless business operations by ensuring effective and efficient procurement practices.
Communities	Yes	<ul style="list-style-type: none"> - CSR initiatives - Volunteering initiatives 	Continuous	<ul style="list-style-type: none"> - Responsible corporate citizenship - To develop the CSR project along with the community, according to the need of the community
Government and Regulatory Authorities	No	<ul style="list-style-type: none"> - Disclosures and filings for compliance reporting - Meeting authorities for permissions/ approvals 	Audits conducted periodically/ monthly/ quarterly/ annually and on need basis	- Compliance-Tax Payments Policy Advocacy

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company frequently interacts with its stakeholders on any material feedback received from the stakeholders which is further communicated to the Board on an ongoing basis.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the Company continuously interacts with its stakeholders and is open to enact upon and incorporate any suggestions received from the stakeholders. During the reporting period, the Company did not receive any material suggestions from any of the stakeholders.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Apollo Pipes has a dedicated Grievance cell to address the queries, request and complaints of the clients.

PRINCIPLE 5:

Businesses should respect and promote human rights

Essential Indicators

1. Employees and Workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of Employees/ Workers covered (B)	% (B/A)	Total (C)	No. of Employees/ Workers covered (D)	% (D/C)
Employees						
Permanent	434	57	13.13	368	71	19.29
Other than Permanent	0	0	0	0	0	0
Total Employees	434	57	13.13	368	71	19.29
Workers						
Permanent	210	125	59.52	252	135	53.57
Other than Permanent	65	0	0	80	0	0
Total Workers	275	125	45.45	332	135	40.66

2. Details of minimum wages paid to Employees and Workers, in the following format:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	421	1	0.24	420	99.76	354	6	1.69	296	83.62
Female	13	0	0	13	100	14	0	0	14	100
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent										
Male	209	64	30.62	145	69.38	249	89	35.74	160	64.25
Female	1	1	100	0	0	3	1	33.33	2	66.67
Other than Permanent										
Male	65	65	100	0	0	80	80	100	0	0
Female	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median Remuneration/ Salary/ Wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD) (Whole Time Directors)	1	1,20,00,000		
Key Managerial Personnel(s)	2	12,08,244		
Employees other than BOD and KMP(s)	343	3,99,640	13	4,10,775
Workers	287	2,32,406	1	1,43,281

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, we have a committee dedicated to address and resolve human rights issues with appropriate measures.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

According to the Company, human rights are inherent, universal, indivisible, and interconnected in nature. Within its area of influence, the Company promotes human rights education and awareness across its value chain.

To safeguard Employees and Directors, the organisation has a robust and thorough Grievance Redressal Mechanism in place. Procedures have been put in place to guarantee that the process of filing a complaint, investigating it, and eventually reaching an acceptable judgement is done professionally and discreetly. The entire procedure is described in full under the Company's Whistleblower policy.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-2023 (Current Financial Year)			FY 2021 - 2022 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Apollo Pipes has a well-defined policy in place to fight gender-based misbehavior and to provide a friendly work environment for Female Employees and others. The policy offers principles, methods, procedures, and platforms for filing, hearing, and resolving sexual harassment and discrimination complaints. The Complaints Committee, which was created by the Company's management, hears and addresses the complaints.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights are incorporated into the Company's commercial agreements and contracts. The firm is dedicated to protecting and upholding the human rights of its employees, communities, and others who are directly or indirectly impacted by the Company's commercial operations.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

NA

Leadership Indicators**PRINCIPLE 6:**

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter		FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	GJ	100,557.68	82,243.51
Total fuel consumption (B)	GJ	2,650.37	2,812.46
Energy consumption through other sources (C) - Solar	GJ	4,074.04	4,343.51
Total energy consumption (A+B+C)	GJ	107,282.09	89,399.48
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) (approx.)	GJ/INR millions	1.17	1.13
Energy intensity per quantity of goods sold (Total energy consumption/ quantity of goods sold)		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Ground water	134,534	56,336
(iii) Third party water	2,732	6,262
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	137,266	62,598
Total volume of water consumption (in kilolitres)	58,752	53,674
Water intensity per rupee of turnover (Water consumed / turnover) (KL/INR millions)	0.64	0.68
Water intensity per quantity of goods sold (Total water consumption/ quantity of goods sold)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. –

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If yes, provide details of its coverage and implementation.

Apollo Pipes has not implemented ZLD as of FY23.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	µg/m ³	20.3	21.05
Sox	µg/m ³	14.2	16.1
Particulate matter (PM)	µg/m ³	60.3	53.85
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		-	-
Hazardous air pollutants (HAP)		-	-
Others		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. Provide details of Greenhouse Gas Emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	198.34	210.56
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	19,832.21	18,047.88
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO ₂ e/INR millions	0.21	0.23
Total Scope 1 and Scope 2 emissions intensity (Total emissions / quantity of goods sold)		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Does the entity have any project related to reducing Green House Gas Emission? If Yes, then provide details.

Yes, Apollo Pipes has installed solar panels in their facility to reduce their dependency on the non-renewable sources. This project has helped in the reduction of GHG emissions as the amount of electricity purchased from the grid has been reduced.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	3984	3082
E-waste (B)	NIL	NIL
Bio-medical waste (C)	NIL	NIL
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	7.1	2
Radioactive waste (F)	NIL	NIL
Other Hazardous waste. Please specify, if any (G)	2.9	1.2
Other Non-hazardous waste generated (H). Please specify, if any (Break-up by composition i.e., by materials relevant to the sector)	686	480
Total (A+B + C + D + E + F + G + H)	4680	3566
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	NIL	NIL
(i) Re-used	3221	2389
(ii) Other recovery operations	NIL	NIL
Total	3221	2389
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NIL	NIL
(i) Landfilling	NIL	NIL
(ii) Other disposal operations	NIL	NIL
Total	NIL	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Apollo Pipe's products and processes does not involve the usage of hazardous and toxic chemicals in their products and processes.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from Renewable and Non-Renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From Renewable Sources (GJ)		
Total electricity consumption (A)	4074.04	4343.51
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	4074.04	4343.51
From Non-Renewable Sources (GJ)		
Total electricity consumption (D)	100,557.68	82,243.51
Total fuel consumption (E)	2,650.37	2,812.46
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	103,208.05	85,055.97

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

PRINCIPLE 7:

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

One

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ association	Reach of trade and industry chambers/ associations (State/National)
1	Delhi Chamber of Commerce	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	Nil	

Leadership Indicators

1.

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available

PRINCIPLE 8:

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web link
Social Impact Assessment has not been carried out in the current financial year					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	No. of Project Affected Families (PAFs)	Amounts paid to PAFs in the FY (In ₹)
				NA		

3. Describe the mechanisms to receive and redress grievances of the community.

Community members can raise complaints through the Helpline number and Email address provided on the Apollo Pipes website <https://www.apollopipes.com/> where a dedicated team is assigned to monitor the complaints raised

Link to Grievance Redressal Policy –

<https://www.apollopipes.com/media/product/Whistle%20Blower%20or%20Vigil%20Mechanism%20Policy%20of%20Apollo%20Pipes%20Ltd.pdf>

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/Small producers	26%	14%
Sourced directly from within the District and Neighbouring Districts	13%	16%

Leadership Indicators

PRINCIPLE 9:

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Since the Company is committed to providing value to its clients, customer satisfaction surveys are conducted on a regular basis. This gives essential input for the Company in order to deliver the best possible service to clients and to continually enhance its customer engagement.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and Social parameters relevant to the product	-
Safe and Responsible usage	-
Recycling and/or Safe disposal	-

*Quantitative numbers will be reported from the next financial year onwards.

3. Number of consumer complaints in respect of the following:

	FY 2022 - 2023 (Current Financial Year)		Remarks	FY 2021 - 2022 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other (Customer Complaints)	0	0	-	0	0	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	-
Forced recalls	0	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The company has prioritised Cyber Security. Firewalls have been installed at the gateway level to prevent unauthorised access. We are securing our endpoints by deploying antivirus software. We implemented an automated data backup system that allowed for safe and secure data storage.

Link to the policy: <https://www.apollopipes.com/media/product/Cyber%20Security%20Policy%20of%20Apollo%20Pipes%20Ltd..pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

NA

Leadership Indicators

INDEPENDENT AUDITOR'S REPORT

To the Members of

APOLLO PIPES LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **APOLLO PIPES LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2023, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profits, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statements and Auditor's Report thereon

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

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

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

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

Management's Responsibility for the Financial Statements

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

view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - 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 Flows 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 March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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 director 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.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (d) (A) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable

- (B) No interim dividend has been declared and paid by the Company during the year.
- (C) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- v. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **VAPS & Company**

Chartered Accountants

ICAI Firm Registration Number: 003612N

Praveen Kumar Jain

Partner

Membership Number: 082515

UDIN : 23082515BGWJSF2758

Place : Noida

Date : May 8, 2023

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

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

We have audited the internal financial controls over financial reporting of **APOLLO PIPES LIMITED** (“the Company”) as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and

operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Praveen Kumar Jain
Partner
Membership Number: 082515
UDIN : 23082515BGWJSF2758

Place : Noida
Date : May 8, 2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) According to the information, available to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies have been noticed on physical verification.
 - (b) The Company has been sanctioned working capital limits in excess of ₹5.00 Crores, in aggregate, during the year , from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts.
- iii. In respect of investments made in, companies, firms, Limited Liability Partnerships, and unsecured loans granted to other parties:
 - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
 - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) The Company has not provided any loans or advances in the nature of loans, during the year, and hence reporting under clause 3(iii)(c) of the Order is not applicable.
 - (d) The Company has not provided any loans or advances in the nature of loans, during the year, and hence reporting under clause 3(iii)(d) of the Order is not applicable.
 - (e) The Company has not provided any loans or advances in the nature of loans, during the year, and hence reporting under clause 3(iii)(e) of the Order is not applicable.
 - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. Pursuant to the rules made by the Central Government of India, the company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There are no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Nature of the Statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹ in Crores)
Service Tax Act, 1994	Additional duty imposed due to non payment of service tax on Ocean Freight services	Deputy Director, Directorate General of Goods and Services tax Intelligence (DGGI), Meerut	April-2017 to June-2017	0.37
Income Tax Act, 1961	Income Tax outstanding amount	Deputy Commissioner of Income Tax, New Delhi (Rectification Application is pending)	April 2017 to March 2018 (A.Y. 2018-19)	0.35
Income Tax Act, 1961	Income Tax outstanding amount	Deputy Commissioner of Income Tax, New Delhi	April 2019 to March 2020 (A.Y. 2020-21)	30.32

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

- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no amount remaining unspent in respect of other than ongoing projects, requiring transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act to the Companies Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There is an unspent amount of ₹73.75 Lakhs towards Corporate Social Responsibility (CSR) in respect of ongoing projects, which has been transferred to a Special account within due period in compliance with the provision of section 135(6) of the Act.

xxi. The provisions relating to preparation of Consolidated Financial Statements are not applicable to the Company during the year. Therefore, reporting under clause 3(xxi) of the order is not applicable to the Company.

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

Praveen Kumar Jain
Partner
Membership Number: 082515
UDIN : 23082515BGWJSF2758

Place : Noida
Date : May 8, 2023

Balance Sheet as at March 31, 2023

(Amount in ₹ lakh)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	5	25,060	20,609
(b) Capital Work in Progress	6(a)	559	706
(c) Intangible Assets	6(b)	2,100	2,112
(d) Right of use Assets	6(c)	908	920
(e) Financial assets		-	-
-Investments	7	4,007	415
-Other financial assets	7(a)	294	277
(f) Other non current assets	8	239	851
Total non current assets		33,167	25,890
(2) Current Assets			
(a) Inventories	9	17,075	13,163
(b) Financial Assets		-	-
- Investments	10(a)	-	18
- Trade Receivables	10(b)	6,575	7,050
- Cash and Cash Equivalents	10(c)	3,389	2,669
- Earmarked Balances with Bank	10(d)	75	1
- Bank balances other than cash and cash equivalents	10(e)	13	1,510
- Loans	10(f)	376	567
-Other Financial Assets	10(g)	50	214
(c) Other current assets	11	5,475	3,304
Total current assets		33,029	28,495
Total Assets		66,195	54,386
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	12	3,933	3,933
(b) Other Equity	13	41,789	36,600
Total equity		45,722	40,533
(2) Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
- Borrowings	14	(0)	918
- Lease Liabilities	14(a)	6	6
(b) Provisions	15	193	156
(c) Deferred Tax Liabilities (Net)	16	439	136
Total non-current liabilities		638	1,216
Current Liabilities			
(a) Financial Liabilities			
- Borrowings	17(a)	4,366	2,948
- Trade Payables	17(b)		
- Total outstanding dues to Micro and Small Enterprises		959	1,398
- Total outstanding dues to other than Micro and Small Enterprises		10,828	4,101
- Other Financial Liabilities	17(c)	1,552	2,872
(b) Provisions	18	45	43
(c) Other Current Liabilities	19	1,894	631
(d) Current Tax Liability (Net)	20	190	645
Total current liabilities		19,835	12,637
Total Liabilities		20,474	13,853
Total Equity and Liabilities		66,195	54,386

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

1-45

For **VAPS & Co.**

Firm Reg. No. 003612N

Chartered Accountants

Sd/-

Praveen Kumar Jain

Partner

Membership No. 082515

UDIN: 22082515AINGUX2780

Place : Noida

Date : May 8, 2023

For and On Behalf of the Board of Directors of

APOLLO PIPES LIMITED

Sd/-

Sameer Gupta

Chairman & Managing Director

DIN-00005209

Sd/-

Arun Aggarwal

Joint Managing Director

DIN-10067312

Sd/-

Ajay Kumar Jain

Chief Financial Officer

PAN: AAGPJ3005L

Sd/-

Ankit Sharma

Company Secretary

PAN:FFSPS6472E

Statement of Profit and Loss for the year ended March 31, 2023

(Amount in ₹ lakh)

Particulars	Note	For the Year ended March 31, 2023	For the Year ended March 31, 2022
I. Income			
(1) Revenue from operations	21	91,452	78,408
(2) Other income and other gains/(losses)	22	196	379
Total Income		91,649	78,787
II. Expenses:			
(1) Cost of Materials consumed	23	72,259	60,208
(2) Purchase of Stock-in-Trade		539	769
(3) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(3,521)	(3,658)
(4) Employee Benefit Expense	25	5,173	4,141
(5) Financial Costs	26	886	429
(6) Depreciation and Amortization	27	2,839	2,570
(7) Other Expenses	28	10,200	7,608
Total expenses		88,375	72,067
III Profit before tax		3,274	6,720
Exceptional Items		-	-
IV. Profit before tax (after exceptional)		3,274	6,720
V. Tax expense:			
(1) Current tax		989	1,839
(2) Prior Period Tax Adjustment		1	
(3) Deferred tax		(108)	(96)
Total Tax Expense	29	882	1,743
VI. Net Profit for the period		2,391	4,976
VII. Other Comprehensive Income (after tax)		3,182	268
VIII Total Comprehensive Income for the period		5,574	5,244
Paid up Equity Share Capital, of ₹10 each		3,932.82	3,932.82
Total No. of Shares		393.28	393.28
Face Value per share		10	10
IX. Earnings per share	30		
Basic (₹)		6.08	12.65
Diluted (₹)		6.08	12.65

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

1-45

For **VAPS & Co.**

Firm Reg. No. 003612N

Chartered Accountants

Sd/-

Praveen Kumar Jain

Partner

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Ajay Kumar Jain

Chief Financial Officer

PAN: AAGPJ3005L

Sd/-

Ankit Sharma

Company Secretary

PAN:FFSPS6472E

Statement of Cash Flows for the year ended March 31, 2023

(Amount in ₹ lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash Flow from operating activities		
Profit before exceptional item and tax	3,273	6,720
Adjustments For		
(Gain)/ Loss on Financial Assets measured at FVTPL	(12)	(262)
Depreciation and amortization expense	2,839	2,570
ESOP Compensation Expenses	8	149
Finance Cost	886	429
(Profit)/Loss on sale of Assets	(7)	20
Dividend Received	(0)	(0)
Interest Income	(136)	(244)
Operating Profit before working capital changes	6,851	9,382
Adjustment for Working Capital Changes		
Decrease/(Increase) in Trade receivables	475	(781)
Decrease/(Increase) in other receivables	(1,379)	(286)
Decrease/(Increase) in inventories	(3,912)	(5,342)
(Decrease)/Increase in Provisions	40	41
(Decrease)/Increase in Trade and other payables	6,233	2,194
Cash generated from Operations	8,307	5,209
Taxes paid	(1,434)	(1,576)
Net Cash flow from operating activities	6,873	3,633
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and equipment	(7,276)	(4,233)
Investments in Capital WIP	147	65
Sale of Fixed Assets	10	120
Purchase of Investments	(3)	(138)
Sale of Investment	32	-
Dividend received	0	-
Interest received	294	511
Net cash flow from investing Activities	(6,796)	(3,675)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings (Secured)	500	(2,563)
Interest paid	(893)	(442)
Proceed from Non Current Borrowing	6	6
Dividend paid	(393)	-
Net Cash from financing Activities	(780)	(3,000)

Statement of Cash Flows (contd.) for the year ended March 31, 2023

(Amount in ₹ lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENT	(703)	(3,042)
Opening balance of Cash & Cash equivalents	4,180	7,222
Closing balance of Cash & cash equivalent	3,477	4,180
Cash and cash Equivalents comprises		
(a) Cash & Cash Equivalents	3,389	2,669
-Cash in Hand	13	7
-In current Accounts	3	56
-In Cash credit Account	373	105
-In Fixed deposit accounts with original maturity of less than 3 months	3,000	2,500
(b) Balance other than Cash & Cash Equivalents	-	-
-Earmarked Balances with Bank	75	1
-In Other Fixed Deposit Accounts	13	1,510
Total Cash & Bank Balances	3,477	4,180

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

1-45

For **VAPS & Co.**

Firm Reg. No. 003612N

Chartered Accountants

Sd/-

Praveen Kumar Jain

Partner

Membership No. 082515

UDIN: 22082515AINGUX2780

Place : Noida

Date : May 8, 2023

For and On Behalf of the Board of Directors of

APOLLO PIPES LIMITED

Sd/-

Sameer Gupta

Chairman & Managing Director

DIN-00005209

Sd/-

Arun Aggarwal

Joint Managing Director

DIN-10067312

Sd/-

Ajay Kumar Jain

Chief Financial Officer

PAN: AAGPJ3005L

Sd/-

Ankit Sharma

Company Secretary

PAN:FFSPS6472E

Statement of Changes in Equity for the year ended March 31, 2023

(Amount in ₹ lakh)

A. Equity Share Capital

Particulars	Amount
Balance as at April 1, 2021	1,311
Add: Issue of bonus shares	2,622
Balance as at March 31, 2022	3,933
Add: Issue of shares	-
Balance as at March 31, 2023	3,933

B. Other Equity

Particulars	Reserves and Surplus		Other Comprehensive Income		Amount Received Against Share Warrant	Share Option Outstanding Account	Capital Reserve	Total
	Retained Earnings *	Securities Premium Reserve ^	Equity Instruments through OCI	Remeasurement of defined benefit Plan				
Balance as at April 1, 2021	13,729	18,056	6	5	-	34	2,006	33,836
Profit for the year	4,976	-	-	-	-	-	-	4,976
Other comprehensive income for the year, net of income tax	-	-	258	10	-	-	-	268
compensation cost related to employee share based payment transaction	-	-	-	-	-	149	-	149
Amount utilised for issue of bonus shares	-	(2,629)	-	-	-	-	-	(2,629)
Amount received against Share Warrant	-	-	-	-	-	-	-	-
Balance as at Mar 31, 2022	18,705	15,427	265	15	-	182	2,006	36,600
Profit for the year	2,391	-	-	-	-	-	-	2,391
Other comprehensive income for the year, net of income tax	-	-	3,182	-	-	-	-	3,182
compensation cost related to employee share based payment transaction	-	-	-	-	-	8	-	8
Dividend paid	(393)	-	-	-	-	-	-	(393)
Amount received against Share Warrant	-	-	-	-	-	-	-	-
Balance as at Mar 31, 2023	20,704	15,427	3,447	15	-	190	2,006	41,789

Nature and purpose of reserves :

(i) Retained Earnings

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

(ii) 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.

(iii) 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.

(iv) Share Option Outstanding Account

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

(v) 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
In terms of our report attached

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

Sd/-
Praveen Kumar Jain
Partner
Membership No. 082515
UDIN: 22082515AINGUX2780
Place : Noida
Date : May 8, 2023

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

Sd/-
Sameer Gupta
Chairman & Managing Director
DIN-00005209

Sd/-
Ajay Kumar Jain
Chief Financial Officer
PAN: AAGPJ3005L

Sd/-
Arun Aggarwal
Joint Managing Director
DIN-10067312

Sd/-
Ankit Sharma
Company Secretary
PAN:FFSPS6472E

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, 2023 were approved by the Board of Directors and authorized for issue on May 8, 2023.

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 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.

Notes to the Financial Statements

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.

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,

(q) 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.

(d) Dividend

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

2.5 Inventories

Raw materials, stores and spares

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

Work in progress ,traded and finished goods

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

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

Scrap

Scrap are valued at Net realisable value.

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

2.6 Fair Value Measurement

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

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

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

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

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting

period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

2.8 Financial Instruments

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

Financial Assets

(a) Initial recognition and measurement:

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

(b) Subsequent measurement

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

Financial assets at fair value

Financial assets at amortized cost

(c) Classification:

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

(d) Financial assets measured at amortized cost:

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. The losses arising from impairment are recognized in the Statement of profit and loss. This category generally applies to trade and other receivables.

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

Financial assets under this category are measured initially as well as at each reporting date at fair value.

Fair value movements are recognized in the other comprehensive income.

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

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

(g) Derecognition of Financial assets:

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

(h) Impairment of Financial assets:

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

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

Financial Liabilities

(a) Initial recognition and measurement:

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

(b) Classification & Subsequent measurement:

If a financial instrument that was previously recognized as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND

AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

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

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

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

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

(d) Derivative financial instruments

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

(e) Loans and Borrowings:

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

(f) Derecognition of Financial Liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the

original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting financial instruments:

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

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

2.9 Leases

As a lessee

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

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

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

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

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

2.10 Employee Benefit

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

(i) Short-term obligations

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

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

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

(ii) Other long-term employee benefit obligations

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the

reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

Defined contribution plans

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

Defined benefit plan

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

2.11 Income Taxes

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

Current Income Taxes

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

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

Deferred Tax

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ("MAT") credit is recognized as an asset only when and to the extent there is convincing evidence that the relevant members of the Company will pay normal income tax during the specified period. Such asset is reviewed at each reporting period end and the adjusted based on circumstances then prevailing.

2.12 Share Capital and Securities Premium Reserve

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

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

2.13 Earnings per Share

As per Ind AS 33, Earning Per Share, Basic earnings per share are computed by dividing the net profit (Loss) for the year attributable to the shareholders' and weighted

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

2.14 Cash and Cash Equivalents

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

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

2.15 Share based payment arrangements

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

2.16 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

2.17 Provisions

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

2.18 Contingent Liabilities, Contingent Assets

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

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

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

2.19 Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary

assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised In Statement of Profit and Loss.

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

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

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

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

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the 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 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 Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Notes to the Financial Statements

Note 5 : Property, Plant and Equipment

(Amount in ₹ lakh)

Particulars	Freehold Land	Buildings	Furniture & Fixtures	Plant & Equipment	Office Equipment	Electrical Installations	Computer	Vehicle	Total
Gross Block									
Balance as at 01 Apr 2021	4,481	7,465	242	12,118	128	968	188	374	25,964
Additions	42	1,229	46	2,374	88	279	85	31	4,173
Disposals	-	-	-	88	-	-	5	26	120
Balance as at 31 Mar 2022	4,523	8,694	288	14,404	216	1,247	267	378	30,017
Additions	3,807	984	43	2,035	44	157	52	136	7,258
Disposals	-	(0)	-	5	-	-	-	5	10
Balance as at 31 Mar 2023	8,330	9,678	331	16,433	260	1,404	319	509	37,265
Accumulated Depreciation and Impairment									
Balance as at 01 Apr 2021	-	1,428	112	4,674	87	315	123	192	6,931
Depreciation charge during the year	-	614	37	1,506	35	211	67	64	2,534
Deductions	-	-	-	28	-	-	5	23	57
Balance as at 31 Mar 2022	-	2,042	148	6,153	122	527	185	232	9,408
Depreciation charge during the year	-	676	39	1,689	53	207	59	82	2,805
Deductions	-	-	-	3	-	-	-	5	8
Balance as at 31 Mar 2023	-	2,718	187	7,839	174	734	243	310	12,205
Net Carrying Value	-	-	-	-	-	-	-	-	-
At 31 Mar 2023	8,330	6,960	144	8,594	86	670	76	199	25,060
At 31 Mar 2022	4,523	6,652	140	8,251	94	720	82	146	20,609

Note:

Property, plant and equipment as detailed in note 5 have been pledged as security for term loans taken as at Mar 31, 2023.

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 6(a): Capital work-in-progress

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at Mar 31, 2023	559	0	0	0	559
As at March 31, 2022	485	221	0	0	706

Note 6 (b) : Intangible Assets

Particulars	Software	Goodwill	Total
Balance as at 1 Apr 2021	144	2,088	2,232
Additions	3	-	3
Deductions	-	-	-
Balance as at 31 Mar 2022	147	2,088	2,235
Additions	-	-	-
Deductions	-	-	-
Balance as at 31 Mar 2023	147	2,088	2,235
Accumulated amortization & impairment			
Balance as at 1 Apr 2021	98	-	98
Amortization Expenses	25	-	25
Deductions	-	-	-
Balance as at 31 Mar 2022	123	-	123
Amortization Expenses	12	-	12
Deductions	-	-	-
Balance as at 31 Mar 2023	135	-	135
Net Carrying Value			
Balance as at 31 Mar 2023	12	2,088	2,100
Balance as at 31 Mar 2022	24	2,088	2,112

Note 6(c) : Right to use Asset

Particulars	Land	Total
At 31 Mar 2021	932	932
Additions	-	-
Deductions	-	-
Depreciation/Amortisation	12	12
At 31 Mar 2022	920	920
Additions	-	-
Deductions	-	-
Depreciation/Amortisation	12	12
At 31 Mar 2023	908	908

Notes

(i) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The lease term is 76-90 years for land. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the standalone statement of Profit and Loss.

Notes to the Financial Statements

(Amount in ₹ lakh)

ii) The following is the break-up of current and non-current lease liabilities as at March 31, 2023 and March 31, 2022 :

Particulars	As at March 31, 2023	As at March 31, 2022
Current lease liability		-
Non-current lease liability	6	6
Total	6	6

iii) The following is the movement in lease liabilities during the year ended March 31, 2023 and March 31, 2022:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning	6	6
Additions		-
Finance Cost accrued during the period	0	0
Deletions		-
Payment of lease liabilities		0
Balance as at the end	6	6

iv) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 and March 31, 2022 on an undiscounted basis :

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	-	0
One to five years	2	2
More than five years	228	228
Total	230	231

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 Rupees 22.69 lacs for the year ended March 31, 2023 (March 31, 2022: Rupees 58.55 lacs)

Note 7 : Investments

Particulars	Paid Up Value	As at 31.03.2023		As at 31.03.2022	
		No. of Shares	Amt	No. of Shares	Amt
A. Investment in Equity Instruments at Fair value through other comprehensive income					
Unquoted					
Apl Apollo Foundation	10 each	25,000	3		
APL Infrastructure Pvt Ltd *	10 each	27,200	3878	27,200	289
Ampsolar Urja Private Limited	10 each	1,26,000	13	1,26,000	13
B. Investment in Debentures			0		0
Ampsolar Urja Private Limited-CCD	100 each	11,340	113	11,340	113
Total		1,89,540	4007	1,64,540	415

Notes to the Financial Statements

(Amount in ₹ lakh)

Note :7(a) Other Financial Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good:		
Security Deposits	271	271
In Margin money with maturity more than 12 Months	23	7
Total	294	277

Note: 8 Other Non Current Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good:		
Capital Advances	232	843
Payment under protest		
Value Added Tax	7	9
Sales Tax Deposit	-	-
Capital Advances	-	-
Operating Lease Pre Payment	-	-
Total	239	851

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 material effect on its financial statements.

Note 9:Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	5,435	5,127
Finished Goods/Semi Finished Goods/ Work in Progress	10,089	6,733
Scrap	219	184
Stores and Spares	721	638
Stock in Transit	611	481
Total	17,075	13,163

Note:

- (i) Cost of stores & spares recognised as expense during the year amounted to ₹1898.92 Lakh (March 31, 2022 : ₹1459.33 Lakh).
- (ii) The mode of valuation of inventory has been stated in note 2.5 of significant accounting policies.
- (iii) Inventory have been pledged as security towards companies borrowings from banks.

Notes to the Financial Statements

(Amount in ₹ lakh)

Note-10(a) Investments (Current)

Particulars	Paid Up Value	As at 31.03.2023		As at 31.03.2022	
		No. of Shares	Amt	No. of Shares	Amt
A. Investment in Equity Instruments at Fair value through other comprehensive income					
Quoted-Others					
Jindal Steel & Power Limited	10 each	-	-	5,000	10
Surya Roshni Limited	10 each	-	-	2,000	8
Total		-	-	7,000	18

Note :10(b) Trade Receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	6,660	7,098
Less:-Allowance for expected credit loss	(85)	(48)
Total	6,575	7,050

Ageing schedule:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2023						
Undisputed - Considered good	5,494	641	362	-	-	6,497
Disputed - Considered good	-	-	-	49	30	79
Total	5,494	641	362	49	30	6,575

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2022						
Undisputed - Considered good	6,283	405	99	46	42	6,875
Disputed - Considered good	-	-	81	94	-	175
Total	6,283	405	180	140	42	7,050

Movement in the expected credit loss allowance

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the period	48	9
Provision/(reversal) of allowance for expected credit loss (net)	37	45
Bad Debts written off during the period	(0)	(6)
Balance at the end of the period	85	48

Notes to the Financial Statements

(Amount in ₹ lakh)

Note :10(c): Cash & Cash Equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks		
In Current Account	3	56
In Cash credit Account	373	105
In Fixed deposit accounts with original maturity of less than 3 months	3,000	2,500
Cash in Hand	13	7
Total	3,389	2,669

Note :10(d): Earmarked Balances With Bank

Particulars	As at March 31, 2023	As at March 31, 2022
Unclaimed Dividend deposited in Bank	1	1
CSR Unspent account	74	-
Total	75	1

Note :10(e): Bank Balances other than Cash & Cash Equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances in fixed deposit accounts with original maturity more than 3 months but less than 12 months	13	1,510
Total	13	1,510

Note :10(f): Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good:		
Loan to Employees	26	42
Others	-	104
Loan to Apollo Pipes Employees Welfare Trust	351	421
Total	376	567

Note :10(g): Other Financial Assets (Current)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good:		
Security Deposits	49	56
Interest accrued but not due on Fixed Deposits with Banks	1	158
Total	50	214

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 11 : Other Current Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good:		
Prepaid Expenses	139	316
Advance to Suppliers	4,700	2,005
Payment under protest-GST Receivable	8	8
Indirect Tax Balances/recoverable/credits	477	809
Other Receivable	152	165
Total	5,475	3,304

Note 12 : Equity Share Capital

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
(a) Authorised :				
Equity shares of the par value of ₹10/- each	4,50,00,000	4,500	4,50,00,000	4,500
(b) Issued and subscribed:				
Outstanding at the end of the year	3,93,28,206	3,933	3,93,28,206	3,933
Total	3,93,28,206	3,933	3,93,28,206	3,933

a) Reconciliation of Number of Shares

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	3,93,28,206	3,933	1,31,09,402	1,311
Additions during the year	-	-	2,62,18,804	2,622
Deletion during the year	-	-	-	-
Balance as at the end of the year	3,93,28,206	3,933	3,93,28,206	3,933

b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shareholders holding more than 5% share in the company are set out below:

Name of Shareholders	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of Shares	%	Number of Shares	%
Sameer Gupta	96,72,762	24.59	96,72,762	24.59
Meenakshi Gupta	1,03,07,238	26.21	1,03,07,238	26.21

Notes to the Financial Statements

(Amount in ₹ lakh)

d) Details of shares held by the promoters:

Name of Shareholders	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of Shares	%	Number of Shares	%
Sameer Gupta	96,72,762	24.59	96,72,762	24.59
Meenakshi Gupta	1,03,07,238	26.21	1,03,07,238	26.21
Sanjay Gupta (HUF)	-	-	4,84,200	1.23
Sanjay Gupta	4,84,200	1.23	-	-

Note 13 : Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Retained earnings	20,704	18,705
Securities premium account	15,427	15,427
Capital Reserve	2,006	2,006
Employee Stock Option Reserve	190	182
Other comprehensive income	3,462	280
Total	41,789	36,600

Note 14 : Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term Loan from Banks	111	1,839
Term Loan from Financial Institutions	-	-
	111	1,839
Less: Current Maturities of Long Term Debt	111	921
	(0)	918
Unsecured		
Loan from Directors	-	-
Loan from Related Parties	-	-
Total	(0)	918

Term Loan facilities are secured by exclusive charge on immovable property situated at Noida, Corporate office- A-140, Sector 136, Noida, Uttar Pradesh. Term Loan facilities of Apollo Pipes Limited from banks are further secured by first pari passu charge on present and future movable fixed assets of the company. Credit facilities are further secured by personal guarantee of Mr. Sameer Gupta and Mr. Sanjay Gupta.

Note 14(a): Lease Liability

Particulars	As at March 31, 2023	As at March 31, 2022
On Account of-		
Lease Land	6	6
Total	6	6

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 15 : Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Gratuity(Refer Note No.35)	193	156
Total	193	156

Note 16 : Deferred Tax Assets/ Liabilities (Net)

(a) Component of deferred tax assets & liabilities are:-

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Liabilities on account of		
Property,Plant & Equipments and other intangible assets	107	208
Others	425	11
Total	532	219
Deferred Tax Assets on account of		
Provision for employee benefit expenses	79	70
Fair Valuation of Investments	13	13
Total	92	82
Deferred Tax Liabilities(Net)	439	136

(b) Movement in deferred tax liabilities / asset

Particulars	As at April 1, 2022	(Profit) / Loss Recognised in profit or loss	(Profit) / Loss Recognised in other comprehensive income	As at March 31, 2023
Deferred Tax Liabilities (A)				
Property, plant and equipments and other intangible assets	207	101	-	107
Others	11	414	-	425
Total	219	515	-	532
Deferred Tax Assets (B)				
Provision for employee benefit expenses	70	10	-	79
Fair Valuation of Investments	13	0	-	13
Total	82	10	-	92
Deferred tax liabilities (Net - A-B)	136	505	-	439

Notes to the Financial Statements

(Amount in ₹ lakh)

Particulars	As at April 1, 2021	(Profit) / Loss Recognised in profit or loss	(Profit) / Loss Recognised in other comprehensive income	As at March 31, 2022
Deferred Tax Liabilities (A)				
Property, plant and equipments and other intangible assets	284	77	-	207
Others	9	2	-	11
Total	293	79	-	219
Deferred Tax Assets (B)				
Provision for employee benefit expenses	49	20	-	70
Fair Valuation of Investments	6	6	-	13
Total	56	26	-	82
Deferred tax liabilities (Net - A-B)	237	53	-	136

Note 17(a) : Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Loan repayable on demand from Banks	4,256	2,027
Current Maturities of Long Term Debt	111	921
Total	4,366	2,948

Note:

The Working Capital facilities from banks are secured by first pari passu charge on all current assets. These credit facilities are further collaterally secured by movable fixed assets, present and future, of the company & personal guarantees of Mr. Sameer Gupta.

Note 17(b) : Trade Payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues to Micro, Small and Medium Enterprises (see note no:31)	959	1,398
Total outstanding dues to other than Micro, Small and Medium Enterprises	10,828	4,101
Total	11,788	5,499

Ageing schedule:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year months	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2023					
(a) Micro, small and medium enterprises	959	-	-	-	959
(b) Others	10,828	-	-	-	10,828
Total	11,788	-	-	-	11,788

Notes to the Financial Statements

(Amount in ₹ lakh)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year months	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2022					
(a) Micro, small and medium enterprises	1,398	-	-	-	1,398
(b) Others	4,101	-	-	-	4,101
Total	5,499	-	-	-	5,499

Note 17(c) : Other Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Employee Benefits Payable	299	284
Interest accrued but not due on borrowings	9	16
Expenses Payable	1,243	2,571
Unclaimed Dividend	1	1
Total	1,552	2,872

Note 18 : Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Gratuity (See Note 35)	18	19
Provision for Compensated Absences	28	24
Total	45	43

Note 19 : Other Current Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers	1,409	503
Statutory liabilities	485	128
Total	1,894	631

Note 20 : Current Tax Assets/ Liabilities (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Taxation	1,071	1,911
Less: Advance Tax & TDS	(881)	(1,266)
Current Tax Liabilities (Net)	190	645
Current Tax Assets (Net)	-	-

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 21 : Revenue from operations

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Sale of Products		
Finished Goods:		
Within India	90,221	76,961
Outside India	159	295
Traded Goods	713	826
Total Sales (A)	91,093	78,081
Other Operating Revenue:		
Scrap Sale	359	326
(B)	359	326
Total (A+B)	91,452	78,407
Other Operating Income:		
Export Incentives	1	0
(C)	1	0
Total (A+B+C)	91,452	78,408

Reconciliation of revenue recognised with contract price :

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Contract price	1,54,486	1,10,172
Adjustments for:		
Discount & incentives	(63,034)	(31,765)
Total	91,452	78,408

Note 22 : Other Income

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest Income earned on financial assets that are not designated as at FVTPL		
Bank & Financial Institutions Deposits	136	244
Dividend Received	0	0
Other Income		
Profit/Loss on sale of assets	7	13
Exchange Fluctuation (Net)	38	43
Gain on Financial Asset measured on FVTPL	12	4
Misc. Income	3	77
Total	196	379

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 23 : Cost of Materials Consumed

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Opening Stock of Raw Material	5,127	4,070
Purchase	72,567	61,266
Less: Closing Stock of Raw Material	(5,435)	(5,127)
Total	72,259	60,208

Note 24 : Changes in inventories of finished goods, WIP & stock in trade

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Opening Stock		
Finished/Semi Finished Goods	7,398	3,740
(A)	7,398	3,740
Closing Stock		
Finished/Semi Finished Goods	10,919	7,398
(B)	10,919	7,398
Total (A-B)	(3,521)	(3,658)

Note 25 : Employee Benefit Expenses

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries, Wages & Bonus	4,796	3,691
Share-based payments to employees	8	149
Contribution to provident and other funds	127	105
Gratuity	56	46
Compensated Absences	16	17
Staff welfare expenses	170	133
Total	5,173	4,141

During the year, the Company recognized an amount of Rupees 120.00 Lakhs (Year ended March 31, 2022: Rupees 120.00 Lakhs) as remuneration to Directors.

The details of such remuneration is as follows:

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
- Short term employee benefits	120	120
- Post employment benefits	-	-
Total	120	120

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 26 : Financial Costs

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest Cost:		
Term Loan	73	169
Working capital facilities	603	239
Other borrowing cost	210	21
On Account of IND AS 116 Leases	0	0
Total	886	429

Note 27 : Depreciation and amortization

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Tangible assets(see note 5)	2,815	2,534
ROU Asset Amortisation	12	12
Intangible assets	12	24
Total	2,839	2,570

Note 28 : Other Expenses

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Stores & Spares Consumed	1,899	1,459
Bank Charges	57	9
Rent including Lease Rentals	23	59
Rates, Fees & Taxes	80	96
Testing Charges	26	32
Printing & Stationary Expenses	13	16
Insurance Expenses	109	91
Job Work Charges	115	80
Security Expense	126	101
Power & Fuel Expenses	2,406	1,922
Repair & Maintenance Expenses		
(i) Building	23	37
(ii) Plant & Machinery	201	92
(iii) Others	133	91
CSR Expenses	120	91
Legal & Professional Charges	294	244
Travelling & Conveyance Expenses	501	322
Communication Expenses	33	33
Foreign Exchange Fluctuation Loss	67	-
Miscellaneous Expenses	163	104
Bad Debts/Loans & advances written off	0	6
Loss on Sale of Fixed Asset	-	47

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 28 : Other Expenses (contd.)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Advertisement & Publicity	1,407	856
Sales Promotion Expenses	22	43
Other Selling Expenses	240	181
Provision for Bad & Doubtful Debts	37	39
Freight Outward	2,107	1,557
Total	10,200	7,608

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

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Statutory Auditors		
For Audit (including quarterly reviews)	8	6
For other services	3	4
Reimbursement of expenses	1	0
Total	12	10

Note 29 : Tax Expenses

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Income Tax		
Current Tax on profits for the year	989	1,839
Adjustments for current tax of prior periods	-	-
Total current tax expense (A)	989	1,839
Deferred Tax		
(Decrease) / increase in deferred tax liabilities	303	(96)
Total deferred tax expense/(benefit) (B)	303	(96)
Total	1,292	1,743

Reconciliation of Tax expense and the accounting profit multiplied by India's Tax Rate:

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Profit before Income Tax expenses	3,274	6,720
Enacted Tax Rates in India	25.17%	25.17%
Computed Expected Income Tax Expense	824	1,691
Effect of Expenses Disallowed	823	756
Deductions	(660)	(690)
Others	1	81
Income tax expense recognized in statement of profit and loss	989	1,839

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 30 : Earnings Per Share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Basic		
Net Profit after Tax attributable to shareholders (Amount in ₹)	23,91,48,517	49,76,49,246
Equity Shares outstanding at the beginning of the year	3,93,28,206	3,93,28,206
Add: Weighted average number of shares issued during the year	-	-
Weighted Average number of equity shares used to compute basic earning per share	3,93,28,206	3,93,28,206
Basic Earnings per share of ₹10/- each (March 31,2023: ₹10/- each)	6.08	12.65
b) Diluted		
Net Profit after Tax attributable to shareholders (Amount in ₹)	23,91,48,517	49,76,49,246
Weighted Average number of equity shares of ₹10/- each (March 31,2023: ₹10/- each)	3,93,28,206	3,93,28,206
outstanding at the end of the year		
Diluted Earnings Per share of ₹10/- each (March 31,2023: ₹10/- each)	6.08	12.65

Note 31: 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	For the year ended March 31, 2023	For the year ended March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	959	1,398
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
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 32: 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 33: Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which were specified in schedule VII of the Companies Act,2013:

Notes to the Financial Statements

(Amount in ₹ lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent as per section 135 of Companies Act, 2013	120	88
Amount of expenditure in the books of accounts	120	91
Actual expenditure	46	91
Provision made for liability (Deposit in CSR unspent account)	74	0
(Shortfall)/ Excess at the end of the year	0	3
Total of previous years shortfall		
Reason for shortfall	Not Applicable	Not Applicable
Nature of CSR activities	Other than Construction of any asset	Other than Construction of any asset
Details of related party transactions	None	None

Note 34: Contingent Liabilities

Contingent liabilities and commitments (to the extent not provided for)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(1) Disputed claims/levies in respect of Sales Tax:		
- Regular Assessment Order passed (Ex parte)	-	422
- Regular Assessment Order passed (Ex parte)	-	502
	-	924
(2) Disputed claims/levies in respect of Customs Act:		
- Rejection of transaction value	4	4
	4	4
(3) Disputed claims/levies in respect of Income Tax	3,067	2,991
Total	3,071	3,919
Less: Paid	-	-
Total (Net)	3,071	3,919

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 material effect on its financial statements.

Note 35 : Employee benefit obligations

(A) Defined Contribution Plans

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

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, 2023	For the Year ended March 31, 2022
Employer's Contribution to Provident Fund	111	105

Included in 'Contribution to provident and other funds' under Employee Benefits Expense (Refer Note 25)

Notes to the Financial Statements

(Amount in ₹ lakh)

(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 31,2023 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, 2023	For the Year ended March 31, 2022
Present value of obligation as at the beginning of the period	175	145
Acquisition adjustment	-	-
Interest cost	13	10
Service cost	43	36
Past service cost including curtailment Gains/ Losses	-	-
Benefits paid	(16)	(12)
Total Actuarial (Gain)/Loss on obligation	(4)	(5)
Present value of obligation as at the end of period	211	175

Notes to the Financial Statements

(Amount in ₹ lakh)

(ii) Liabilities recognized in the Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Net defined benefit liability at the start of the period	175	145
Acquisition Adjustment	-	-
Total Service Cost	43	36
Net Interest cost (Income)	13	10
Re-measurements	(4)	(5)
Contribution paid to the fund	-	-
Benefit paid directly by the enterprise	(16)	(12)
Net defined benefit liability at the end of the period	211	175
Net Asset/(Liability) recognized in Balance Sheet	211	175
Recognized Under :		
Short Term Provision	18	19
Long Term Provision	193	156
Total	211	175

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

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Total service cost	43	36
Interest cost	13	10
Expenses recognized in the Statement of Profit & Losses	56	46

(iv) Other Comprehensive Income (OCI)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Opening cumulative unrecognized actuarial gain/ (loss)	-	-
Actuarial gain/ (loss) for the year on Post benefit obligation	4	5
Actuarial gain/ (loss) for the year on Assets	-	-
Unrecognized actuarial gain/ (loss) for the year	4	5

(v) Principal Actuarial assumptions

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Discount Rate per annum	7.36%	7.19%
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

(Amount in ₹ lakh)

(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, 2023	For the Year ended March 31, 2022
(a) Impact of the Change in Discount Rate		
Present Value of Obligation at the end of the period	211	175
Increased by 0.50%	(11)	(10)
Decreased by 0.50%	12	11
(b) Impact of the Change in Salary Increase		
Present Value of Obligation at the end of the period	211	175
Increased by 0.50%	13	11
Decreased by 0.50%	(12)	(10)

(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, 2023	For the Year ended March 31, 2022
Less than a year	18	19
Between 1-2 years	5	3
Between 2-3 years	6	4
Between 3-4 years	7	5
Between 4-5 years	15	6
Between 5-6 years	14	11
More than 6 years	147	127
Total	211	175

Note 36 : Capital & other commitments

Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance ₹120.07 Lakhs (31 March, 2022: ₹ Nil Lakhs)

Note 37 : Related Party Transactions as required by Ind AS 24 - 'Related Party Disclosures'

Details of related parties:

Key Management Personnel:

Name	Designation
Mr. Sameer Gupta	Chairman & Managing Director
Mr. Arun Agarwal	Joint Managing Director
Mr. Ajay Kumar Jain	Chief Financial Officer
Mr. Ankit Sharma	Company Secretary

Notes to the Financial Statements

(Amount in ₹ lakh)

Relatives of Key Managerial Personnel (with whom transactions have taken place during the year)

Name	Relation
Mrs. Saroj Rani Gupta	Mother of Mr. Sameer Gupta
Mrs. Meenakshi Gupta	Wife of Mr. Sameer Gupta
Mr. Sanjay Gupta	Brother of Mr. Sameer Gupta
Mr. Vinay Gupta	Brother of Mr. Sameer Gupta

Entities where Directors/Relatives of Directors have control/significant influence:

APL Apollo Tubes Limited
 APL Infrastructure Private Limited
 Apollo Metalex Private Limited
 APL Apollo Buildings Products Private Limited
 Sanjay Gupta HUF

Transactions with Related Parties

Particulars	Relationship	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Goods			
APL Apollo Tubes Limited	Directors/Relatives of Directors have control/significant influence	87	204
Apollo Metalex Private Limited	Directors/Relatives of Directors have control/significant influence	116	113
Apollo Tricoat Tubes Limited	Directors/Relatives of Directors have control/significant influence	-	12
APL Apollo Buildings Products Private Limited	Directors/Relatives of Directors have control/significant influence	18	20
Purchase of License			
APL Apollo Tubes Limited	Directors/Relatives of Directors have control/significant influence	274	31
Apollo Metalex Private Limited	Directors/Relatives of Directors have control/significant influence	159	-
Purchase of Goods			
APL Apollo Tubes Limited	Directors/Relatives of Directors have control/significant influence	112	143
Best Steel Solutions Private Limited	Directors/Relatives of Directors have control/significant influence	-	22
Apollo Metalex Private Limited	Directors/Relatives of Directors have control/significant influence	-	0
Employee Benefit Expenses			
Mr. Ajay Kumar Jain	Key Managerial Personnel	34	32
Mr. Ankit Sharma	Key Managerial Personnel	17	16
Reimbursement of Expenses			
Mr. Ajay Kumar Jain	Key Managerial Personnel	6	6
Director Remuneration			
Mr. Sameer Gupta	Chairman & Managing Director	120	120

Notes to the Financial Statements

(Amount in ₹ lakh)

Transactions with Related Parties (contd.)

Particulars	Relationship	For the year ended March 31, 2023	For the year ended March 31, 2022
Repayment of Loans/Advances given			
Mr. Ajay Kumar Jain	Key Managerial Personnel	0	4
Rent Expense			
Mrs. Saroj Rani Gupta	Mother of Mr. Sameer Gupta	3	3
Rent Income			
APL Apollo Tubes Limited	Directors/Relatives of Directors have control/significant influence	42	35
Dividend Paid			
Mr. Sameer Gupta	Chairman & Managing Director	97	-
Mrs. Meenakshi Gupta	Wife of Mr. Sameer Gupta	103	-
Sanajay Gupta HUF	Directors/Relatives of Directors have control/significant influence	5	-
Mr. Ajay Kumar Jain	Key Managerial Personnel	0	-
Mr. Ankit Sharma	Key Managerial Personnel	0	-
Balance Outstanding at the end of Accounting Year			
Trade Receivables			
APL Apollo Tubes Limited	Directors/Relatives of Directors have control/significant influence	-	267
Apollo Metalex Private Limited	Directors/Relatives of Directors have control/significant influence	4	7
Apollo Tricoat Tubes Limited	Directors/Relatives of Directors have control/significant influence	-	12
Trade Payables			
APL Apollo Tubes Limited	Directors/Relatives of Directors have control/significant influence	1	245
Apollo Metalex Private Limited	Directors/Relatives of Directors have control/significant influence	-	0
Loans/Advances (Net of Receipts & Payments)			
Mr. Ajay Kumar Jain	Key Managerial Personnel	0	0
Mrs. Saroj Rani Gupta	Mother of Mr. Sameer Gupta	0	-

Note 38: Share Based Payments

(a) Employee Share Option Plan:

- The ESOS scheme titled "Employee Stock Option Scheme 2020" (ESOS 2020) was approved by the shareholders through postal ballot on April 21, 2020. 91,400 options are covered under the Scheme for 91,400 Equity shares and The ESOS scheme titled "Employee Stock Option Scheme 2020" (ESOS 2020) was approved by the shareholders through postal ballot on April 21, 2020. 91,400 options are covered under the Scheme for 91,400 Equity shares.
- During the financial year 2020-21, the Nomination and Remuneration Committee in its meeting held on January 16, 2021 has granted 91,400 options respectively under the ESOS to eligible employees of the Company. Each option comprises one underlying equity share. The options granted vest over a period of 4 years from the date of the grant in equal proportion of 25% each year. Options may be exercised within one year from last date of vesting. The exercise price of each option is the

Notes to the Financial Statements

(Amount in ₹ lakh)

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 Rupees 498 per share.

- iii) During the financial year 2022-23, the Nomination and Remuneration Committee in its meeting held on January 24, 2023 has granted 40,200 options respectively under the ESOS to eligible employees of the Company. Each option comprises one underlying equity share. The options granted will 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 ₹166 per share.

(b) The following share based payment arrangements were in existence during the current and prior years:

Number of options granted	Bonus issued	Total No. of Options	Grant Date	Expiry Date	Exercise Price-pre bonus (₹)	Fair Value at grant date(₹)
91,400	1,82,800	2,74,200	16-Jan-21	15-Jan-26	₹498.00	₹735.55
40,200	0	40,200	24-Jan-23	24-Jan-27	₹166.00	₹541.25

(c) Fair value option granted

The weighted average fair value of the share options granted during the current financial year is Rupees 364.38 & 434.47 for Grant I and Grant II respectively. Options were priced using Black Scholes Model. Option granted during year is as follows:

Particulars	Grant on January 16, 2021	Grant on January 24, 2023
Grant date share price (₹)	735.55	541.25
Exercise Price (₹)	498	166
Expected volatility	44.54%-48.30%	44.54%-48.30%
Option Life	4	4
Dividend yield	0.08%	0.08%
Risk-free Interest Rate	4%-5.21%	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:

Grant-I

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	1,48,200	86,200
Bonus issue during the year	0	1,72,400
Granted during the year	-	-
Vested during the year	39,000	51,300
Lapsed during the year	23,100 [#]	59,100 [#]
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Options outstanding at the end of the year	86,100	1,48,200

Notes to the Financial Statements

(Amount in ₹ lakh)

Grant-II

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	0	0
Bonus issue during the year	0	0
Granted during the year	40200	-
Vested during the year	0	-
Lapsed during the year	0	0
Forfeited during the year	0	-
Exercised during the year	0	-
Expired during the year	0	-
Options outstanding at the end of the year	40,200	0

During the year ended March 31, 2023, 12 Employees to whom Grant I option was granted had resigned from the company so their options lapsed during the year. No. of share lapsed during the year is 23100 shares

During the year ended March 31, 2022, 15 Employees to whom Grant I option was granted had resigned from the company so their options lapsed during the year. No. of share lapsed during the year is 59100 shares

During the year ended March 31, 2021, 7 Employees to whom Grant I option was granted had resigned from the company so their options lapsed during the year. No. of share lapsed during the year is 5200 shares"

During the year ended March 31, 2023, No Employees to whom Grant II option was granted had resigned from the company.

(e) Share option exercised during the year

39000 share 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 Rupees 8.05 Lacs (Previous Year : Rupees 148.61 Lacs).

(g) No option expired during the year.

Note 39 : Financial Instruments

Financial Instruments by Category

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
Investments	-	4007	-	18	415	-
Trade receivable	-	-	6,575	-	-	7,050
Cash and Bank Balances	-	-	3,402	-	-	4,179
Loans	-	-	376	-	-	567
Other Financial Assets	-	-	344	-	-	491
Total Financial Assets	-	4,007	10,698	18	415	12,288
Financial Liabilities						
Borrowings	-	-	4,366	-	-	3,866
Trade Payables	-	-	-	-	-	-
Other Financial Liabilities	-	-	1,552	-	-	2,872
Total Financial Liabilities	-	-	5,918	-	-	6,738

Notes to the Financial Statements

(Amount in ₹ lakh)

Fair Value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at March 31,2023	Level 1	Level 2	Level 3
Financial Assets			
Financial Investments at FVTPL			
Quoted equity instruments	-	-	-
Financial Investments at FVOCI			
Unquoted equity instruments	-	-	4,007
Total Financial Assets	-	-	4,007

As at March 31,2022	Level 1	Level 2	Level 3
Financial Assets			
Financial Investments at FVTPL			
Quoted equity instruments	18	-	-
Financial Investments at FVOCI			
Unquoted equity instruments	-	-	415
Total Financial Assets	18	-	415

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments and over the counter (OTC) derivative contracts.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in debt mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e.. Net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of income approach, in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 40: 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 (₹). 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.

Details of derivative instruments and unhedged foreign currency exposure :-

- 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, 2023	As at March 31, 2022
USD in Lakh	Buy	74	180
Equivalent amount in Rupees in Lakh	Buy	6,111	13,620

- The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Forward contract outstanding	As at March 31, 2023	As at March 31, 2022
Payables:		
USD in Lakh	4	2
Equivalent amount in Rupees in Lakh	319	146
Advance paid to vendors:		
USD in Lakh	18	3
Equivalent amount in Rupees in Lakh	1,487	407
Advance Received from Customers:		
USD in Lakh	-	0
Equivalent amount in Rupees in Lakh	-	0

Notes to the Financial Statements

(Amount in ₹ lakh)

(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, 2023	As at March 31, 2022
Variable rate borrowings	4,366	2,948
Fixed rate borrowings	-	1,839
Total borrowings	4,366	4,787

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, 2023		
Bank overdrafts, bank loans, Cash Credit	4,366	100.00%
As at March 31, 2022		
Bank overdrafts, bank loans, Cash Credit	2,948	61.59%

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, 2023	Year ended March 31, 2022
Interest rates – increase by 50 basis points (50 bps) *	(16.92)	(10.88)
Interest rates – decrease by 50 basis points (50 bps) *	16.92	10.88

(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.

Notes to the Financial Statements

(Amount in ₹ lakh)

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, 2023				
Borrowings	4,366	-	-	4,366
Interest accrued but not due on borrowings	9	-	-	9
Trade Payables	-	-	-	-
Others	-	-	-	-
Total non-derivative liabilities	4,375	-	-	4,375
As at March 31, 2022				
Borrowings	2,948	918	-	3,866
Interest accrued but not due on borrowings	16	-	-	16
Trade Payables	-	-	-	-
Others	-	-	-	-
Total non-derivative liabilities	2,964	918	-	3,882

Note 41: Reconciliation of liabilities arising from financing activities

Particulars	Opening balance as at April 1, 2022	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2023
As at March 31, 2023				
Non-current borrowings	918	(918)	-	(0)
Current borrowings	2,948	1,418	-	4,366
Total liabilities from financing activities	3,866	500	-	4,366

Particulars	Opening balance as at April 1, 2021	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2022
As at March 31, 2022				
Non-current borrowings	1,820	(902)	-	918
Current borrowings	4,468	(1,520)	-	2,948
Total liabilities from financing activities	6,288	(2,421)	-	3,866

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 42: 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, 2023	As at March 31, 2022
Non current borrowings	-	918
Current maturities of non current borrowings	(111)	(921)
Current borrowings	4,366	2,948
Less: Cash and cash equivalents	3,389	2,669
Less: Bank balances other than cash and cash equivalents	13	1,510
Total Debts	854	(1,234)
Total Equity	45,722	40,533
Gearing Ratio	0.02	(0.03)

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

(b) Dividends

Particulars	As at March 31, 2023	As at March 31, 2022
Interim dividend for the year ended March 31, 2022 of ₹ Nil (March 31, 2021 : ₹ Nil)	-	-
Final dividend for the year ended March 31, 2022 of ₹ Nil (March 31, 2021 : ₹ Nil)	393	-

The Board of Directors in their meeting on May 8,2023 recommended a final dividend of ₹0.60 /-per equity share for the financial year ended March 31,2023.This payment is subject to the approval of shareholders in the ensuing Annual General Meeting (AGM) of the Company and if approved would result in a net cash outflow of approximately ₹ 235.97 Lakhs.

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 43: Financial Ratios

Sl. No	Methodology	As at March 31, 2023	As at March 31, 2022
1	Current Ratio Current Ratio = Current Assets/Current Liabilities % change from previous year Reason for change more than 25% Due to increase in Current Liabilities more than the increase in Current Assets	1.67 -26.16%	2.25
2	Debt-Equity Ratio Debt-Equity Ratio = Net Debt/Net Worth % change from previous year	0.10 0.12%	0.10
3	Debt Service Coverage Ratio Debt Service Coverage Ratio = EBITDA/ Debt Service % change from previous year Reason for change more than 25% Due to decrease in EBITDA and Increase in short term debts	2.68 -49.24%	5.28
4	Return on Equity Ratio Return on Equity Ratio= Profit after tax/Average Net worth*100 % change from previous year Reason for change more than 25% Due to decrease in PAT	5.55 -57.84%	13.15
5	Inventory turnover ratio Inventory turnover ratio= Closing inventory/Net sales*365 % change from previous year	68.15 11.22%	61.28
6	Trade receivables turnover ratio Trade receivables turnover ratio= Net sales/Average Trade receivable % change from previous year	13.42 14.02%	11.77
7	Trade Payables turnover ratio Trade Payables turnover ratio= Net Purchase /Average Trade Payable % change from previous year	8.40 -24.46%	11.11
8	Net capital turnover ratio Net capital turnover ratio= Net sales/Net Working Capital % change from previous year	6.49 20.48%	5.39

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 43: Financial Ratios (contd.)

Sl. No	Methodology	As at March 31, 2023	As at March 31, 2022
9	Net Profit Ratio Net Profit Ratio= Profit after tax/Net sales*100 % change from previous year Reason for change more than 25% Due to decrease in Profits	2.62% -58.74%	6.35%
10	Return on capital employed Return on capital employed= EBIT/Average capital employed*100 % change from previous year Reason for change more than 25% Due to decrease in EBIT	8.73% -47.19%	16.53%
11	Return on investment Return on investment= (Interest income, net gain on sale of investments and net fair value gain over average investments)/Average investment*100 Quoted % change from previous year Reason for change more than 25% Due to sale of all the quoted investments Unquoted % change from previous year Reason for change more than 25% Due to Increase of NAV of the investment	0.00% -100.00%	11.66%
		966%	165%

EBIT - Earnings before interest and taxes

PBIT - Profit before interest and taxes including other income.

EBITDA - Earnings before interest, taxes, depreciation and amortisation.

PAT - Profit after taxes.

Debt includes current and non-current lease liabilities

Net worth includes Shareholder capital and reserve and surplus

Net sales means revenue from operations

Capital employed refers to total shareholders' equity and debt.

Revenue growth along with higher efficiency on working capital improvement has resulted improvement in the Ratios.

Notes to the Financial Statements

(Amount in ₹ lakh)

Note 44: Additional Regulatory Information

- (a) The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- (b) There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (c) The Company has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting years.
- (d) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- (e) The Company do not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (f) All the quarterly statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.
- (g) The Company did not enter transactions in Cryptocurrency or Virtual currency during the year ended March 31,2023 (March 31,2022: NIL).
- (h) The company does not have any relationship with companies struck off (as defined by Companies Act, 2013) and did not enter into transactions with any such company for the years ended March 31,2023 and March 31,2022.

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

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

1-45

For **VAPS & Co.**

Firm Reg. No. 003612N

Chartered Accountants

Sd/-

Praveen Kumar Jain

Partner

Membership No. 082515

UDIN: 22082515AINGUX2780

Place : Noida

Date : May 8, 2023

For and On Behalf of the Board of Directors of

APOLLO PIPES LIMITED

Sd/-

Sameer Gupta

Chairman & Managing Director

DIN-00005209

Sd/-

Arun Aggarwal

Joint Managing Director

DIN-10067312

Sd/-

Ajay Kumar Jain

Chief Financial Officer

PAN: AAGPJ3005L

Sd/-

Ankit Sharma

Company Secretary

PAN:FFSPS6472E

APOLLO PIPES LIMITED

(An ISO 9001-2015 Certified Company)

Corporate Office :A-140, Sector 136, Noida-201301, Uttar Pradesh
wecare@apollopipes.com, www.apollopipes.com | Toll Free No. 1800-121-3737

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