VAPS & COMPANY
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of
APL APOLLO BUILDING PRODUCTS PRIVATE LIMITED
Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of ***APL APOLLO BUILDING PRODUCTS PRIVATE 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 generallyaccepted 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 not determined any matters to be the key audit matters to be communicated 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.

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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 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.

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- 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.

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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 March 31, 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 does not have any pending litigations as at March 31,2023.

   ii. The Company is not required to make any 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.

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(d) (A) No Final Dividend has been proposed by the Board of Directors of the Company in the previous year.

(B) No interim dividend has been declared and paid by the Company during the year.

(C) No Final Dividend has been proposed by the Board of Directors of the Company for the year.

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

VAPS & COMPANY
New Delhi
CHARTERED ACCOUNTANTS

Place : New Delhi
Date : May 11, 2023
UDIN : 23082515BGWJSJ8523

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 APL Apollo Building Products Private 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 **APL APOLLO BUILDING PRODUCTS PRIVATE 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:

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(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 No-003612N

VAPS & COMPANY
New Delhi
CHARTERED ACCOUNTANTS

Praveen Kumar Jain
Partner
Membership No. 82515

Place : New Delhi
Date : May 11, 2023
UDIN : 23082515BGWJSJ8523

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 APL APOLLO BUILDING PRODUCTS PRIVATE 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 two 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 thelessee 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) As explained to us, the inventories were physically verified during the year at reasonable intervals and no material discrepancies have been noticed on physical verification.

(b) The Company has been sanctioned working capital limits in excess of ☐ 5 crore, in aggregate, during the year , from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts.

iii. In respect of investments made in, companies, firms, Limited Liability Partnerships, and unsecured loans granted to other parties:

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) The company has not made any investments during the year, and hence reporting under clause 3(iii)(b) of the Order is not applicable.

(c) The Company has not provided any loans or advances in the nature of loans, during

VAPS & COMPANY New Delhi CHARTERED ACCOUNTANTS

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. The maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company during the year. Hence, reporting under clause (vi) of the Order is not applicable to the company.

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, dutyof 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) There are no disputed statutory dues which have not been deposited as on March 31, 2023.

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.

VAPS & COMPANY New Delhi CHARTERED ACCOUNTANTS

(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) In our opinion and according to the information and explanations provided by the management, the Company has utilized the monies raised by way of rights issue of equity shares and term loans for the purposes for which they were raised.

(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 underclause 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) No whistle-blower complaints have been received by the company during the year (and up to the date of this report).Hence, reporting under clause 3(xi)(c) of the Order is not applicable.

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 any cash losses during the financial year covered by our audit and incurred cash losses of □ 69,79,457 for 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

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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. The provisions of Section 135 of the Act relating to Corporate Social Responsibility are not applicable to the company during the year. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable.

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

VAPS & COMPANY
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Praveen Kumar Jain
Partner
Membership No. 82515

Place : New Delhi
Date : May 11, 2023
UDIN : 23082515BGWJSJ8523

APL APOLLO BUILDING PRODUCTS PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2023

(Rupees in Crores)

	Particulars	Notes	As at March 31, 2023	As at March 31, 2022
I.	**ASSETS**			
(1)	**Non-current assets**			
(a)	Property, plant and equipment	2	825.84	52.34
(b)	Capital work-in-progress	3	225.82	437.89
(c)	Right of Use Assets	4	30.80	27.15
(d)	Financial assets			
	(i) Other financial assets	5	7.35	6.12
(e)	Non-current tax assets (net)	6	0.86	0.31
(f)	Other non current assets	7	76.73	71.71
	Total non-current assets		**1,167.40**	**595.52**
(2)	**Current assets**			
(a)	Inventories	8	314.09	18.76
(b)	Financial assets			
	(i) Trade receivables	9	11.11	2.93
	(ii) Cash and cash equivalents	10	3.12	4.04
	(iii) Bank balance other than (ii) above	11	4.89	2.42
	(iv) Loans	12	0.03	0.01
	(v) Other financial assets	13	0.35	0.09
(c)	Other current assets	14	160.86	126.02
	Total current assets		**494.45**	**154.27**
	Total Assets		**1,661.85**	**749.79**
II.	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
(a)	Equity share capital	15(a)	600.00	260.00
(b)	Other equity	15(b)	3.42	(3.44)
	Total equity		**603.42**	**256.56**
	Liabilities			
(2)	**Non-current liabilities**			
(a)	Financial Liabilities			
	(i) Borrowings	16	622.83	388.74
	(ii) Lease liabilities	4	28.08	25.13
(b)	Provisions	17	1.00	0.41
(c)	Deferred tax liabilities (net)	18	1.06	0.17
(d)	Other non-current liabilities	19	35.10	-
	Total non-current liabilities		**688.07**	**414.45**
(3)	**Current liabilities**			
(a)	Financial liabilties			
	(i) Borrowings	20	100.83	-
	(ii) Lease liabilities	4	1.86	1.86
	(iii) Trade payables	21		
	- total outstanding dues of micro enterprises and small enterprises		2.31	0.40
	- total outstanding dues of creditors other than micro enterprises and small enterprises		228.33	65.35
	(iv) Other financial liabilities	22	28.86	9.02
(b)	Other current liabilities	23	7.86	2.13
(c)	Provisions	24	0.31	0.02
	Total current liabilities		**370.36**	**78.78**
	Total equity and liabilities		**1,661.85**	**749.79**

The accompanying notes form an integral part of these financial statements 1-48
This is the balance sheet referred to in our report of even date

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

VAPS & COMPANY ★ New Delhi ★ CHARTERED ACCOUNTANTS

PRAVEEN KUMAR JAIN
Partner
Membership No. 082515
UDIN : 23082515BGWJS8523

For and on behalf of the Board of Directors of
APL APOLLO BUILDING PRODUCTS PRIVATE LIMITED

VINAY GUPTA
Managing Director
DIN : 00005149

RAHUL GUPTA
Managing Director
DIN : 07151792

APL Apollo Building Products Pvt. Ltd. ★

DEEPAK GOYAL
Chief Financial Officer

DEEPAK CS
Company Secretary
ICSI Membership No. : F5060

Place : New Delhi
Date : May 11, 2023

Place : New Delhi
Date : May 11, 2023

APL APOLLO BUILDING PRODUCTS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2023

(Rupees in Crores)

	Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
I	Revenue from operations	25	935.70	24.18
II	Other income	26	1.19	0.31
III	**Total income (I +II)**		**936.89**	**24.49**
IV	**Expenses**			
	(a) Cost of materials consumed	27	857.20	33.14
	(b) Purchase of stock-in-trade		104.15	1.80
	(c) Changes in inventories of finished goods, work-in-progress, rejection and scrap	28	(176.60)	(12.13)
	(d) Employee benefits expense	29	21.64	0.16
	(e) Finance costs	30	21.71	0.13
	(f) Depreciation expense	31	20.80	0.71
	(g) Other expenses	32	80.39	2.12
	Total expenses		**929.29**	**25.93**
V	**Profit before tax (III - IV)**		**7.60**	**(1.44)**
VI	**Tax expense:**			
	(a) Current tax		-	-
	(b) Deferred tax	18	0.87	0.13
	Total tax expense		**0.87**	**0.13**
VII	**Profit for the year (V-VI)**		**6.73**	**(1.57)**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	(a) Remeasurement of post employment benefit obligation		0.15	-
	(b) Income tax relating to (a) above		(0.03)	-
	Other comprehensive income for the year		**0.12**	**-**
IX	**Total comprehensive income for the year (VII+VIII)**		**6.85**	**(1.57)**
X	**Earnings per equity share of Rupees 10 each**			
	(a) Basic (in Rupees)	35	0.15	(0.09)
	(b) Diluted (in Rupees)	35	0.15	(0.09)

The accompanying notes form an integral part of these financial statements 1-48
This is the statement of profit and loss referred to in our report of even date

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

VAPS & COMPANY ★ New Delhi ★ CHARTERED ACCOUNTANTS

PRAVEEN KUMAR JAIN
Partner
Membership No. 082515
UDIN : 23082515BGWJS8523

For and on behalf of the Board of Directors of
APL APOLLO BUILDING PRODUCTS PRIVATE LIMITED

VINAY GUPTA
Managing Director
DIN : 00005149

RAHUL GUPTA
Managing Director
DIN : 07151792

DEEPAK GOYAL
Chief Financial Officer

DEEPAK CS
Company Secretary
ICSI Membership No. : F5060

Place : New Delhi
Date : May 11, 2023

Place : New Delhi
Date : May 11, 2023

APL Apollo Building Products Pvt. Ltd. ★

APL APOLLO BUILDING PRODUCTS PRIVATE LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow from operating activities		
Loss before tax	7.60	(1.44)
Adjustments for:		
Interest income on fixed deposits	(1.19)	(0.31)
Finance Cost	21.71	0.13
Government grant income	(0.71)	-
Depreciation and amortisation expense	20.80	0.71
Operating profit before working capital changes	**48.21**	**(0.91)**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(295.32)	(18.76)
Trade receivables	(8.17)	(2.92)
Non Current financial assets	(1.23)	(1.95)
Non - Current assets		-
Current financial assets	-	(0.09)
Current loans	(0.01)	0.01
Other current assets	(34.83)	(123.65)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	164.89	65.75
Other current liabilities	5.73	(4.50)
Other non current liabilities	35.10	-
Other financial liabilities	2.99	9.02
Provision (current & non-current)	1.03	0.07
Cash generated from operations	(81.61)	(77.93)
Net income tax paid	(0.55)	(0.29)
Net cash flow (used in) /from operating activities (A)	**(82.16)**	**(78.22)**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment, including capital advances	(568.58)	(457.40)
Investment in fixed deposits	(2.47)	(3.36)
Interest received on fixed deposits	0.93	0.31
Net cash flow (used in) investing activities (B)	**(570.11)**	**(460.45)**
C. Cash flow from financing activities		
Proceeds of non-current borrowings	234.09	388.74
Proceeds from current borrowings	100.83	-
Finance Cost	(21.71)	(0.13)
Payment on account of lease liabilities	(1.86)	(0.31)
Proceed from issue of equity share capital	340.00	154.30
Net cash flow from financing activities (C)	**651.35**	**542.60**
Net increase in Cash and cash equivalents (A+B+C)	(0.92)	3.93
Cash and cash equivalents at the beginning of the year	4.04	0.11
Cash and cash equivalents at the end of the year	**3.12**	**4.04**
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Net Cash and cash equivalents (as defined in Ind AS 7 Cash Flow Statements) included in note 10	**3.12**	**4.04**

The accompanying notes form an integral part of these financial statements 1-48

This is the statement of cash flows referred to in our report of even date

For VAPS & Company
Chartered Accountants
Firm's Registration No. 003612N

PRAVEEN KUMAR JAIN
Partner
Membership No. 082515
UDIN : 23082515BGWJS8523

VAPS & COMPANY ★ New Delhi ★ CHARTERED ACCOUNTANTS

Place : New Delhi
Date : May 11, 2023

For and on behalf of the Board of Directors of
APL APOLLO BUILDING PRODUCTS PRIVATE LIMITED

VINAY GUPTA
Managing Director
DIN : 00005149

RAHUL GUPTA
Managing Director
DIN : 07151792

DEEPAK GOYAL
Chief Financial Officer

DEEPAK CS
Company Secretary
ICSI Membership No. : F5060

Place : New Delhi
Date : May 11, 2023

APL Apollo Building Products Pvt. Ltd. ★

APL APOLLO BUILDING PRODUCTS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2023

(Rupees in Crores)

a) Equity share capital

Particulars	
Opening balance as at April 1, 2021	105.70
Changes during the year ended March, 2022	154.30
Balance as at March 31, 2022	**260.00**
Changes during the year ended March, 2023	340.00
Balance as at March 31, 2023	**600.00**

b) Other equity

Particulars	Retaained Earnings	Total
Opening balance as at April 1, 2022	**(1.87)**	**(1.87)**
		-
Profit for the year ended March 31, 2022	(1.57)	(1.57)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	**(1.57)**	**(1.57)**
Balance as at March 31, 2022	**(3.44)**	**(3.44)**
Profit for the year ended March 31, 2023	6.73	6.73
Other comprehensive income for the year, net of tax	0.12	**0.12**
Total comprehensive income for the year	**6.85**	**6.85**
Balance as at March 31, 2023	**3.42**	**3.42**

The accompanying notes form an integral part of these financial statements 1-48
This is the statement of changes in equity referred to in our report of even date

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

VAPS & COMPANY New Delhi CHARTERED ACCOUNTANTS

PRAVEEN KUMAR JAIN
Partner
Membership No. 082515
UDIN : 23082515BGWJS8523

Place : New Delhi
Date : May 11, 2023

For and on behalf of the Board of Directors of
APL APOLLO BUILDING PRODUCTS PRIVATE LIMITED

VINAY GUPTA
Managing Director
DIN : 00005149

RAHUL GUPTA
Managing Director
DIN : 07151792

DEEPAK GOYAL
Chief Financial Officer

DEEPAK CS
Company Secretary
ICSI Membership No. : F5060

Place : New Delhi
Date : May 11, 2023

APL Apollo Building Products Pvt. Ltd.

1(i) Company background

APL Apollo Building Products Private Limited incorporated on December 19, 2019, having its registered office in Delhi, India. The Company is a wholly owned subsidiary of APL Apollo Tubes Limited (the Holding Company) and is engaged in the business of production of ERW steel tubes, Colour coated coils, embossed sheets and others.

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 11, 2023.

1(ii) Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

(a) Statement of compliance

The financial statements are prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time as notified under Section 133 of the Companies Act 2013 , the relevant provision of the Companies Act 2013 ("the Act")

(b) Basis of Preparation

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

(c) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the standalone financial statements.

Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Income Taxes

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit or Loss.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty.

Useful lives of Property, plant and equipment ('PPE')

The Company reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligation ('DBO') are based on actuarial valuation using the projected unit credit method. 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 and mortality rates. Due to 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.

Fair value measurement of derivative and other financial instruments

The fair value of financial instruments, that are not traded in an active market, is determined by using valuation techniques. This involves significant judgements in selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible.

(d) Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(e) 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).

(f) Revenue recognition

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

(i) Sale of goods

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

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.

In contracts where the Company acts as an agent, the revenue is recorded at the net amount that the Company retains for its services.

APL Apollo Building Products Pvt. Ltd.

(ii) **Interest income**
Interest income is accrued on a time proportion basis, by reference to the principle outstanding and the effective interest rate applicable.

(iii) **Commission income**
Commission income is recognised when the servies are rendered.

(g) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each year adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income . In this case, the tax is also recognised in Other Comprehensive Income.

Deferred tax assets include Minimum Alternate Tax (MAT) paid where applicable in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(h) Leases
As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. 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.

As a lessee

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.
When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

(i) Impairment of assets

At each balance sheet date ,the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any).Where the assets does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the highest of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years.

(j) Cash and cash equivalents and Cash Flow Statement

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Short term borrowings, repayments and advances having maturity of three months or less, are shown as net in cash flow statement.

(k) Inventories
Raw materials, work in progress, stores, traded and finished goods
Inventories are valued at the lower of cost (First in First Out -FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase, all charges in bringing the goods to the point of sale, including indirect levies, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Rejection and scrap

Rejection and scrap are valued at net realisable value.
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

APL Apollo Building Products Pvt. Ltd.

(l) Property, plant and equipment and capital work-in-progress

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

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

Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred.

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

The Company has a policy of capitalizing insurance spares having value more than or equal to Rupees 0.01 crore.

Property, plant and equipment acquired in business combination are recognised at fair value at the acquisition date. Subsequent costs are included in the assets carrying value or recognised as a separate assets as appropriate only when it is possible that future economic benefit associated with the item will flow to the Company.

Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Depreciation methods, estimated useful lives and residual value

Depreciation on tangible property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in the case of the certain categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

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

(a) Buildings- 10 to 60 years
(b) Roads- 10 years
(c) Plant and machinery used in manufacturing of pipe 10-20 years
(d) Other plant and machinery- 2 to 10 years
(e) Vehicles- 8 years
(f) Furniture and fixtures- 10 years
(g) Office equipment- 2-5 years
(h) Computer- 3 years

The residual values, useful lives and method of depreciation of Property, plant & equipment is reviewed at the end of each financial year and adjusted prospectively if appropriate.

(m) Earnings per share

Basic earnings per share is computed by dividing the net profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(n) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

(o) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

(p) Employee benefits

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 non-monetary 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 recognised 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 earned leave and sick leave 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 recognised 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.

APL Apollo Building Products Pvt. Ltd.

(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 plans: 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 recognised in the Other Comprehensive Income in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

(q) Borrowings

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.

(r) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their 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 capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(s) Financial instruments – initial recognition, subsequent measurement and impairment

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.

A. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income.
The classification criteria of the Company for debt and equity instruments is provided as under:

(a) Debt instruments

Depending upon the business model of the Company, debt instruments can be classified under following categories:

- Debt instruments measured at amortised cost
- Debt instruments measured at fair value through other comprehensive income
- Debt instruments measured at fair value through profit or loss

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(b) Equity Instruments

The equity instruments can be classified as:

- Equity instruments measured at fair value through profit or loss ('FVTPL')
- Equity instruments measured at fair value through other comprehensive income ('FVTOCI')

Equity instruments and derivatives are normally measured at FVTPL. However, on initial recognition, an entity may make an irrevocable election (on an instrument-by-instrument basis) to present in OCI the subsequent changes in the fair value of an investment in an equity instrument within the scope of Ind AS -109.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit loss are measured through a loss allowance at an amount equal to the following:

(a) the 12-months expected credit losses (expected credit losses that result from default events on financial instrument that are possible within 12 months after reporting date); or

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(b) Full lifetime expected credit losses (expected credit losses that result from those default events on the financial instrument).
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.
Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.
Subsequent recoveries of amounts previously written off are credited to other income.

(iv) **Derecognition of financial assets**

A financial asset is derecognised only when:
- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. Financial Liabilities

(i) **Classification**
The Company classifies its financial liabilities in the following measurement categories:
- Financial liabilities measured at fair value through profit or loss
- Financial liabilities measured at amortized cost

(ii) **Measurement**

The measurement of financial liabilities depends on their classification, as described below:

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 recognised 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.

Financial liabilities measured at Amortized Cost :
At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in the statement of profit or loss.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss over the period of the financial liabilities using the effective interest method. 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.

(iii) **De-recognition of financial liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the statement of profit or loss as other income or finance costs.

(t) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(u) 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 recognised 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.

(v) Segment information

The Company is engaged in the business of production of ERW steel tubes. As the Company's business activity primarily falls within a single business and geographical segment i.e manufacture of steel tubes, there are no disclosures required to be provided in terms of Ind AS 108 on 'Segment Reporting'.

1(III) Recent Accounting Developments

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. 1

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2 : Property, Plant and Equipment

(Rupees in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amounts of :		
Freehold land	42.58	30.30
Computer	0.57	0.28
Office Equipment	0.21	0.06
Vehicles	3.04	3.50
Furniture & Fixtures	0.88	0.49
Plant and Machinery	572.72	12.26
Building	205.84	5.45
	825.84	**52.34**

Particulars	Office equipments	Freehold Land	Vehicles	Computers	Furniture & Fixtures	Plant and Machinery	Buildings	Total
Gross carrying value								
Opening balance as at April 1, 2021	0.03	-	2.92	0.01	-	-	-	**2.96**
Additions	0.04	30.30	0.99	0.29	0.50	12.30	5.53	49.95
Sales / transfer during the year	-	-	-	-	-	-	-	-
Balance at March 31, 2022	**0.07**	**30.30**	**3.91**	**0.30**	**0.50**	**12.30**	**5.53**	**52.91**
Additions	0.20	12.28	0.01	0.47	0.48	576.18	203.61	793.23
Sales / transfer during the year	-	-	-	-	-	-	-	-
Balance at March 31, 2023	**0.27**	**42.58**	**3.92**	**0.77**	**0.98**	**588.48**	**209.14**	**846.14**
Accumulated depreciation								
Opening balance as at April 1, 2021	-	-	0.01	-	-	-	-	**0.01**
Elimination on disposal of assets	-	-	-	-	-	-	-	-
Depreciation expense	0.01	-	0.40	0.02	0.01	0.04	0.08	**0.56**
Balance at March 31, 2022	**0.01**	-	**0.41**	**0.02**	**0.01**	**0.04**	**0.08**	**0.57**
Depreciation expense	0.05	-	0.47	0.18	0.09	15.72	3.22	19.73
Balance at March 31, 2023	**0.06**	-	**0.88**	**0.20**	**0.10**	**15.76**	**3.30**	**20.30**
Net carrying value								
Opening balance as at April 1, 2021	0.03	-	2.91	0.01	-	-	-	**2.95**
Additions	0.04	30.30	0.99	0.29	0.50	12.30	5.53	**49.95**
Sales / transfer during the year	-	-	-	-	-	-	-	-
Depreciation expense	(0.01)	-	(0.40)	(0.02)	(0.01)	(0.04)	(0.08)	**(0.56)**
Balance at March 31, 2022	**0.06**	**30.30**	**3.50**	**0.28**	**0.49**	**12.26**	**5.45**	**52.34**
Additions	0.20	12.28	0.01	0.47	0.48	576.18	203.61	793.23
Depreciation expense	0.05	-	0.47	0.18	0.09	15.72	3.22	19.73
Balance at March 31, 2023	**0.21**	**42.58**	**3.04**	**0.57**	**0.88**	**572.72**	**205.84**	**825.84**

Note :
(1) Property, plant and equipement as detai ed in 2 have been pledged as security for term loans taken as at March 31, 2023. See note 16 and 20 for loans taken against which these property, plant and equipment are pledged.

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3: Capital Work In Progress (CWIP)

(Rupees in crore)

Particulars	Building	Plant and machinery	Total
As at April 1, 2021	**18.64**	**19.53**	**38.17**
Add : Additions during the year	122.62	294.93	417.55
Less : Transfer to property, plant and equipment (see note 2)	(5.53)	(12.30)	(17.83)
Closing balance as at March 31, 2022	**135.73**	**302.16**	**437.89**
Add : Additions during the year	121.04	446.68	567.72
Less : Transfer to property, plant and equipment (see note 2)	(203.61)	(576.18)	(779.79)
Closing balance as at March 31, 2023	**53.16**	**172.66**	**225.82**

Ageing of Capital work in progress is as below :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in Progress					
As at March 31,2023	106.91	111.70	7.21	-	**225.82**
As at March 31,2022	412.03	25.86	-	-	**437.89**

As on the Balance Sheet date , there are no capital work in progress whose completion is overdue or has exceeded the cost, based on approved plan.

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4 Right of use assets and lease liabilities

(Rupees in Crores)

Particulars	Category of ROU Asset Land	Total
As at April 1, 2022	-	-
Reclassified on adoption of Ind AS 116	-	-
Additions	27.30	27.30
Amortisation	(0.15)	(0.15)
Balance as at March 31, 2022	**27.15**	**27.15**
Additions	4.72	4.72
Amortisation	(1.07)	(1.07)
Balance as at March 31, 2023	**30.80**	**30.80**

(i) The Company has taken leasehold land having lease term of 30 years. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

(ii) Above ROU assets have been pledged as security for term loans taken as at March 31, 2023. See note 16 and 20 for loans taken against which these assets are pledged.

(iii) The following is the break-up of current and non-current lease liabilities as at March 31, 2023 and March 31, 2022 :

(Rupees in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Current lease liability	1.86	1.86
Non-current lease liability	28.08	25.13
Total	**29.94**	**26.99**

(iv) The following is the movement in lease liabilities during the year ended March 31, 2023 and March 31, 2022 :

(Rupees in Crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	26.99	-
Additions	4.72	27.30
Finance cost accrued during the period	0.09	-
Payment of lease liabilities	(1.86)	(0.31)
Balance at the end	**29.94**	**26.99**

The weighted average incremental borrowing rate applied to lease liabilities as at March 31, 2023 is 5.50 %.

(v) 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 :

(Rupees in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	1.86	1.86
One to five years	7.44	7.44
More than five years	20.64	17.69
Total	**29.94**	**26.99**

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 is Rupees Nil for the year ended March 31,2023 (March 32, 2022 : Rupees Nil).

5 Other financial assets (Non-current)
(Unsecured, considered good)

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Security deposit	6.59	4.67
(b)	In margin money with maturity more than 12 months at inception - with banks	0.76	1.45
	Total	**7.35**	**6.12**

6 Non-current tax assets (net)

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Advance income tax (net of provision as at March 31, 2023 : Rupees Nil Previous year ended March 31, 2022 : Rupees Nil)	0.86	0.31
	Total	**0.86**	**0.31**

7 Other non current assets
(Unsecured, considered good)

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Capital advances	76.73	71.71
	Total	**76.73**	**71.71**

8 Inventories

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Finished goods (including stock-in-transit)	68.46	2.47
(b)	Raw material (including stock-in-transit)	106.62	5.78
(c)	Rejection and scrap	2.17	0.71
(d)	Work in progress (including stock-in-transit)	118.10	8.95
(e)	Stores and spares	18.74	0.85
	Total	**314.09**	**18.76**

Notes:

(i) Cost of inventory (including stores & spares) recognised as expense during the year amounted to Rupees 801.34 crores (March 31, 2022 : Rupees 23.11 crores).

(Rupees in crore)

(ii)	Details of stock-in-transit	As at March 31, 2023	As at March 31, 2022
	Raw material	0.26	-
	Work in progress	5.04	-
	Finished goods	10.44	-

(iii) The mode of valuation of inventories has been stated in note 1 (k) of significant policies

(iv) Inventories have been pledged as security towards Company's borrowings from banks

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9 Trade Receivables

(Rupees in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered Good- unsecured		
(i) Related parties	-	-
(ii) Other than related parties	11.11	2.93
Less: Allowance for expected credit loss	-	-
Total	**11.11**	**2.93**

(i) The average credit period on sale of goods is 0-60 days. No interest is charged on the trade receivables for the amount overdue above the credit period. There are no customers who represent more than 10% of the total balance of trade receivables except as follows :

(Rupees in crore)

Particulars	As at March 31, 2023
Customer A	1.33
Customer B	4.32
Customer C	2.32
	7.97
% of total trade receivables	71.79%

There are no customers who represent more than 10% of the total balance of trade receivables in previous year.

In determining the allowance for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(1) Ageing of trade receivables and credit risk arising there from is as below :

(Rupees in Crores)

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	
Undisputed - Considered good						
As at March 31 2023	11.11	-	-	-	-	11.11
As at March 31 2022	2.93	-	-	-	-	2.93

*Includes amount not yet due for payment

(2) Ageing wise % of expected credit loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Not yet due	-	-
Less than six months	-	-
6 months- 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-

(3) Movement in the expected credit loss allowance

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the period	-	-
Provision (written back) / Charge in statement of profit and loss	-	-
Balance at the end of the period	-	-

Note:
(i) Trade receivables have been pledged as security towards Company's borrowings from banks.
(ii) There are no oustanding debts due from directors or other officers of the Company.

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10 Cash and cash equivalents

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Cash on hand	-	0.01
(b)	Balances with banks		
	- in current accounts	3.12	3.39
(c)	In fixed deposits with maturity less than 3 months at inception	-	0.64
	Total	**3.12**	**4.04**

11 Bank balances other than cash and cash equivalents

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	In fixed deposits with maturity more than 3 months but less than 12 months at inception	4.89	2.42
	Total	**4.89**	**2.42**

12 Loans (Current)
(Unsecured, considered good)

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Loans to employees	0.03	0.01
	Total	**0.03**	**0.01**

13 Other financial assets (Non-current)
(Unsecured, considered good)

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Interest accrued	0.35	0.09
	Total	**0.35**	**0.09**

14 Other current assets
(Unsecured, considered good)

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Balances with government authorities:		
	-Cenvat credit receivable	140.15	53.34
(b)	Custom duty	0.10	-
(c)	Advance to employee	-	0.01
(d)	Claim receivable	-	2.36
(e)	Prepaid expense	0.05	0.03
(f)	Advance to suppliers	20.56	70.28
	Total	**160.86**	**126.02**

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(Rupees in Crores)

	Particulars	As at March 31, 2023 Number of Shares	As at March 31, 2023 Amount	As at March 31, 2022 Number of Shares	As at March 31, 2022 Amount
15	**Equity**				
15(a)	**Equity share capital**				
(i)	**Authorised capital**				
	Equity shares of Rupees 10 each with voting rights	1,00,00,00,000	1,000.00	30,00,00,000	300.00
		1,00,00,00,000	**1,000.00**	**30,00,00,000**	**300.00**
(ii)	**Issued capital**				
	Equity shares of Rupees 10 each with voting rights	60,00,00,000	600.00	26,00,00,000	260.00
		60,00,00,000	**600.00**	**26,00,00,000**	**260.00**
(iii)	**Subscribed and fully paid up capital**				
	Equity shares of Rupees 10 each with voting rights	60,00,00,000	600.00	26,00,00,000	260.00
		60,00,00,000	**600.00**	**26,00,00,000**	**260.00**

(1) **Reconciliation of the number of shares and amount outstanding as at March 31, 2023 and March 31, 2022**

Particulars	Number of shares As at March 31, 2023	Number of shares As at March 31, 2022	Amount As at March 31, 2023	Amount As at March 31, 2022
Equity share capital				
Outstanding at the beginning of the year	26,00,00,000	10,56,97,500	260.00	105.70
Add: Issued during the year	34,00,00,000	15,43,02,500	340.00	154.30
Outstanding at the end of the year	**60,00,00,000**	**26,00,00,000**	**600.00**	**260.00**

(2) **Rights, Preferences and restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rupees 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. 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.

(3) **Details of shares held by the holding Company :**

Particulars	Number of shares As at March 31, 2023	Number of shares As at March 31, 2022
APL Apollo Tubes Limited*	60,00,00,000	26,00,00,000

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(4) **Details of shares held by each shareholder holding more than 5% shares :-**

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
APL Apollo Tubes Limited*	60,00,00,000	100%	26,00,00,000	100%

(5) **Details of shares held by promoters**

Name of Promoter	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
APL Apollo Tubes Limited*	60,00,00,000	100%	26,00,00,000	100%

* Out of total 60,00,00,000 (As at March 31,2022: 26,00,00,000 equity shares) equity shares , 59,99,99,999 equity shares (As at March 31,2022: 25,99,99,999 equity shares) are held by APL Apollo Tubes Limited (the holding Company) and remaining 1 share is held by Mr. Romi Sehgal as nominee/representative.

15(b) **Other equity**

(Rupees in Crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings	3.42	(3.44)
Total	**3.42**	**(3.44)**

(1) **Retained earnings**

Balance at the beginning of the year	(3.44)	(1.87)
Add: Total comprehensive income for the year	6.85	(1.57)
Balance at the end of the year	**3.42**	**(3.44)**

Retained Earnings: It represents unallocated/un-distributed profits of the Company. The amount that can be distributed as dividend by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus amount reported above are not distributable in entirety.

16 **Borrowings**

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	**From Banks**		
	Term Loans		
	- Secured (see note below)	342.83	238.74
(b)	**From Others**		
	- Unsecured (see note below)	280.00	150.00
	Total	**622.83**	**388.74**

Notes

Term Loan from Banks are secured as follows:

(Rupees in Crores)

Particulars	As at March 31, 2023 Non current borrowings	As at March 31, 2023 Current Maturities of non-current borrowings	As at March 31, 2022 Non current borrowings	As at March 31, 2022 Current Maturities of non-current borrowings
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 20 quarterly installments commencing from June 2023 and ending in March 2028. Applicable Rate of Interest is 7.97% p.a. (March 31, 2022 : 5.40% p.a.)	20.00	5.00	25.00	-
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from April 2023 and ending in January 2027. Applicable Rate of Interest is 8.35% p.a. (March 31, 2022 : 5.39% p.a.)	18.75	6.25	25.00	-
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from April 2023 and ending in January 2027. Applicable Rate of Interest is 8.35% p.a. (March 31, 2022 : 5.39% p.a.)	18.75	6.25	25.00	-
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from June 2023 and ending in March 2027. Applicable Rate of Interest is 7.85% p.a. (March 31, 2022 : 5.35% p.a.)	37.50	12.50	50.00	-

APL Apollo Building Products Pvt. Ltd.

Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 20 quarterly installments commencing from June 2023 and ending in March 2028. Applicable Rate of Interest is 7.97% p.a. (March 31, 2022 : 5.40% p.a.)	90.99	22.75	113.74	-
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 20 quarterly installments commencing from June 2023 and ending in March 2028. Applicable Rate of Interest is 7.97% p.a. (March 31, 2022 : 5.40% p.a.)	24.00	6.00	-	-
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 20 quarterly installments commencing from June 2023 and ending in March 2028. Applicable Rate of Interest is 7.97% p.a. (March 31, 2022 : 5.40% p.a.)	3.88	0.97	-	-
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 20 quarterly installments commencing from June 2023 and ending in March 2028. Applicable Rate of Interest is 7.97% p.a. (March 31, 2022 : 5.40% p.a.)	13.96	3.49	-	-
Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 20 quarterly installments commencing from June 2023 and ending in March 2028. Applicable Rate of Interest is 7.97% p.a. (March 31, 2022 : 5.40% p.a.)	40.00	10.00	-	-

APL Apollo Building Products Pvt. Ltd.

Term loan facilities are secured by first pari passu charge through equitable mortgage of the Company land, building and land held in APL Apollo Tubes Limited, situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh.Term Loan facilities are further secured by way of first pari passu charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Credit facilities are further secured by corporate guarantee of APL Apollo Tubes Limited. The loan outstanding is repayable in 16 quarterly installments commencing from April 2023 and ending in January 2027. Applicable Rate of Interest is 8.35% p.a. (March 31, 2022 : 5.39% p.a.)	75.00	25.00	-	-
Term Loan from Others are as follows:				
During the year, the Company has taken unsecured loan from APL Apollo Tubes Limited, holding Company for meeting its capital requirements. Loan is repayable upto 5 years as and when funds are available with Company. Applicable rate of interest is 8.00 % p.a.	280.00	-	-	-
During the previous year, the Company has taken unsecured loan from Apollo Metalex Private Limited, a fellow subsidiary Company for meeting its capital requirements. Loan is repayable upto 5 years as and when funds are available with Company. Applicable rate of interest is 5.50 % p.a.	-	-	150.00	-

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17 Provisions (Non-current)

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Provision for compensated absences	0.45	0.22
(b)	Provision for gratuity (see note 34)	0.55	0.19
	Total	**1.00**	**0.41**

18 Deferred Tax liabilities (net)

(a) Component of deferred tax assets and liabilities are :-

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	**Deferred Tax Liabilities on account of :**		
	Property, plant and equipments	7.30	0.24
	Total deferred tax liabilities (A)	**7.30**	**0.24**
(ii)	**Deferred Tax Assets on account of :**		
	Provision for employee benefit expenses	0.22	0.07
	Financial Assets (Transaction cost on loans)	6.02	-
	Total deferred tax assets (B)	**6.24**	**0.07**
	Disclosed as Deferred Tax Liabilities (Net - A-B)	**1.06**	**0.17**

(b)

(Rupees in Crores)

Movement in deferred tax liabilities / asset	As at March 31, 2021	Recognised in profit & loss	Recognised in other comprehensive income	As at March 31, 2022
Deferred Tax Liabilities (A)				
Property, plant and equipments	0.04	0.20	-	0.24
Total	**0.04**	**0.20**	**-**	**0.24**
Deferred Tax Assets (B)				
Provision for employee benefit expenses	-	0.07	-	0.07
Financial Assets (Transaction cost on loans)	-	-	-	-
Deferred tax liabilities (Net - A-B)	**0.04**	**0.13**	**-**	**0.17**

(Rupees in Crores)

Movement in deferred tax liabilities / asset	As at March 31, 2022	Recognised in profit & loss	Recognised in other comprehensive income	As at March 31, 2023
Deferred Tax Liabilities (A)				
Property, plant and equipments	0.24	7.06	-	7.30
Total	**0.24**	**7.06**	**-**	**7.30**
Deferred Tax Assets (B)				
Provision for employee benefit expenses	0.07	0.18	(0.03)	0.22
Carry forward of income tax loss	-	6.02	-	6.02
Total	**0.07**	**6.20**	**(0.03)**	**6.24**
Deferred tax Liabilities (Net - A-B)	**0.17**	**0.87**	**0.03**	**1.06**

19 Other non-current liabilites

(Rupees in crore)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Deferred income		
	- Purchase of equipment (see note (i) below)	35.10	-
	Total	**35.10**	**-**

Note :

(i) Deferred income arises in respect of import of capital goods without payment of custom duty under Export Promotion Capital Goods Scheme. The income is recognised in Profit or loss on a straight line basis over the useful life of the related assets. (See note 33(b)(2)).

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20 Borrowings (Current)

(Rupees in crore)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	**Loan repayable on demand**		
	- From banks (Secured)		
	(i) Working capital facilities (see note below)	2.62	-
(b)	Current Maturity of non current borrowings (see note 16)	98.21	-
	Total	**100.83**	**-**

Nature of security :

Working Capital facilities are secured by first pari passu charge on entire present and future current assets of the company and second charge on entire present and future movable fixed assets of the company situated at Ringni and Kesda, Simga, Baloda bazar, Chhattisgarh. Working capital facilities are further secured by second charge on immovable fixed assets through equitable mortgage of the land and building of the company. Working Capital facilities are further secured by Corporate guarantee of APL Apollo Tubes Limited.

21 Trade payables

(Rupees in crore)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Total outstanding dues of micro enterprises and small enterprises	2.31	0.40
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	228.33	65.35
	Total	**230.64**	**65.75**

Outstanding for following periods from date of transaction :

(Rupees in Crores)

Particulars	Outstanding for following periods from due date of payment			Total
	Unbilled	Less than 1 year	1-2 years	
As at March 31, 2022				
(a) Micro, small and medium enterprises	-	0.40	-	0.40
(b) Others	3.58	61.77	-	65.35
Total	**3.58**	**62.17**	**-**	**65.75**
As at March 31, 2023				
(a) Micro, small and medium enterprises	-	2.31	-	2.31
(b) Others	73.32	154.83	0.18	228.33
Total	**73.32**	**157.14**	**0.18**	**230.64**

22 Other financial liabilities

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Capital Creditors	17.46	4.91
(b)	Retention money payable	5.67	1.38
(c)	Interest payable	5.73	2.73
		28.86	**9.02**

23 Other current liabilities

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Statutory remittances	1.73	0.43
(b)	Advance from customers	4.24	1.70
(c)	Deferred income (see note 19)		
	- Purchase of equipment	1.89	-
	Total	**7.86**	**2.13**

24 Provisions (Current)

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Provision for compensated absences	0.11	0.01
(b)	Provision for gratuity (see note 34)	0.20	0.01
	Total	**0.31**	**0.02**

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25 Revenue from Operations

(Rupees in Crores)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a)	Sale of Products (see note (i) below)	1,078.46	23.99
(b)	Other operating revenue (see note (ii) below)	31.92	0.19
		1,110.38	**24.18**
	Less: Capatalized during the year	174.68	-
	Total	**935.70**	**24.18**

Notes:

(i) Reconciliation of revenue recognised with contract price:

(Rupees in Crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contract Price	1,103.50	24.07
Adjustments for		
Discounts and Inventives	(25.04)	(0.08)
Revenue from Operations	**1,078.46**	**23.99**

(ii) Other Operating Revenues comprises

(Rupees in Crores)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a)	Sale of Scrap	31.92	0.19
	Total	**31.92**	**0.19**

26 Other income

(Rupees in Crores)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a)	Interest on fixed deposits	0.38	0.31
(b)	Miscellaneous income (see note below)	0.81	-
	Total	**1.19**	**0.31**

Note:
Miscellaneous income includes (a) unwinding of deferred income of Rupees 0.71 crores (March 31, 2022 : Rupees Nil) and (b) Other miscellaneous income of Rupees 0.10 crores (March 31, 2022 : Rupees Nil).

27 Cost of material consumed

(Rupees in Crores)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventories of raw material at the beginning of the year	5.78	-
Add: Purchases during the year	1,138.82	38.92
Less: Inventories of raw material as at the end of the year	106.62	5.78
	1,037.98	**33.14**
Less: Capatalized during the year	180.78	-
Total	**857.20**	**33.14**

28 Change in inventories

(Rupees in Crores)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a)	**Inventories at the end of the year:**		
	Finished goods	68.46	2.47
	Work in progress	118.10	8.95
	Rejection and scrap	2.17	0.71
		188.73	**12.13**
(b)	**Inventories at the beginning of the year:**		
	Finished goods	2.47	-
	Work in progress	8.95	-
	Rejection and scrap	0.71	-
		12.13	-
	Total	**(176.60)**	**(12.13)**

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29 Employee benefit expenses

(Rupees in Crores)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a)	Salaries and Wages	27.89	0.14
(b)	Contribution to provident fund (see note 34)	1.23	-
(c)	Gratuity Expense (see note 34)	0.36	0.01
(d)	Staff Welfare Expenses	0.21	0.01
		29.69	**0.16**
	Less: Capatalized during the year	8.05	-
	Total	**21.64**	**0.16**

During the year, the Company recognised an amount of Rupees 1.31 crore (Year ended March 31, 2022 Rupees Nil) as remuneration to key managerial personnel. The details of such remuneration is as below :

(i) Short term employee benefits	1.01	-
(ii) Post employment benefits (gratuity expense)	0.20	-
(iii) Other long term employee benefits (leave encashment expense)	0.10	-
	1.31	-

30 Finance costs

(Rupees in Crores)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a)	Interest Expense		
	(i) term loan	37.55	0.12
	(ii) working capital facilities	2.89	-
	(iii) on leases	0.07	0.01
(b)	Other borrrowing cost	0.48	-
		40.99	**0.13**
	Less: Capatalized during the year	19.28	-
	Total	**21.71**	**0.13**

31 Depreciation and amortisation expense

(Rupees in Crores)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a)	Depreciation on property, plant and equipment (see note 2)	19.73	0.56
(b)	Amortisation on right of use assets (see note 4)	1.07	0.15
	Total	**20.80**	**0.71**

32 Other expenses

(Rupees in Crores)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a)	Consumption of store & spares	17.83	0.30
(b)	Repair and maintenance:		
	(i) Plant and machinery	0.53	-
	(ii) Others	0.01	-
(c)	Travelling and conveyance	2.58	-
(d)	Legal and professional expense (see note (i) below)	2.71	0.03
(e)	Advertisement and sales promotion	0.18	-
(f)	Freight Outward expense	39.51	0.79
(g)	Power & fuel expense	32.53	0.08
(h)	Fees & taxes expense	0.06	0.91
(i)	Security services	0.76	-
(j)	Miscellaneous expenses	4.33	0.01
(k)	Management support services (see note (ii) below)	0.14	-
		101.17	**2.12**
	Less: Capatalized during the year	20.78	-
	Total	**80.39**	**2.12**

Note :-

(i) Legal & professional charges include auditor's remuneration (excluding indirect taxes) as follows :

(a) To statutory auditors		
For audit	0.03	0.02
For tax audit	0.02	0.01
Total	**0.05**	**0.03**

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(ii) **Allocation of common expenses**

During the year, the parent Company has chargéd back the common expenses incurred by it on behalf of group companies on cost i.e. cost to cost basis. The allocation of common expenses has been carried out on the basis of turnover of respective companies, as per latest financial statements / results.

33 Contingent liabilities and commitments (to the extent not provided for)

(Rupees in Crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	**Contingent Liabilities**		
	Disputed Claims in respect of Income tax	-	-
(b)	**Commitments**		
(1)	Estimated amount of contracts remaining to be executed on capital account and not provided for		
	- Property, plant and equipment (net of capital advance)	111.13	196.70

(2) The Company has obtained EPCG (Export Promotion Capital Goods Scheme) licenses for importing the capital goods without payment of basic custom duty against submission of bonds.

The export obligation is to be fulfilled within a period of 6 years from the date of issuance of license. Under this scheme the Company has to achieve FOB value of exports which will be 6 times of duty saved. Accordingly the Company is required to export of FOB value of Rupees 226.85 crores (March 31, 2022: Rupees 55.69 crores) against which the Company has saved a duty of Rupees 37.81 crores (March 31, 2022 : Rupees 9.28 crores).

(3) The Company has other commitments, for purchase orders which are issued after considering requirements per operating cycle for purchase of services, employee's benefits. The Company does not have any long term commitments or material non-cancellable contractual commitments/contracts, including derivative contracts for which there were any material foreseeable losses.

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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34 Employee benefit obligations

(Rupees in Crores)

Particulars	As at March 31, 2023		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.20	0.55	0.75
Total employee benefit obligations	**0.20**	**0.55**	**0.75**

Particulars	As at March 31, 2022		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.01	0.19	0.20
Total employee benefit obligations	**0.01**	**0.19**	**0.20**

(a) Defined benefit plans

The Company has an unfunded defined benefit gratuity plan. The gratuity scheme provides for lump sum payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a limit of Rupees 0.20 crore (March 31, 2022 Rupees 0.20 crore). Vesting occurs upon completion of 5 years of service.

(b) Defined contribution plans

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rupees 1.23 crores (Year ended March 31, 2022 Rupees Nil) for Provident Fund contributions. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(c) Movement of defined benefit obligation:

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Gratuity
Opening balance as at April 1, 2021	**0.15**
Current service cost	0.07
Interest expense/(income)	0.01
Total amount recognised in profit or loss	**0.08**
Add : Transfer from Holding Company (note below)	-
Remeasurements	
effect of change in financial assumptions	(0.01)
effect of experience adjustments	(0.02)
Total amount recognised in other comprehensive income	(0.03)
Employer contributions : Benefit payments	-
Balance as at March 31, 2022	**0.20**
Balance as at March 31, 2022	
Current service cost	0.36
Interest expense/(income)	0.01
Others	0.41
Total amount recognised in profit or loss	**0.79**
Remeasurements	
effect of change in financial assumptions	0.01
effect of experience adjustments	(0.16)
Total amount recognised in other comprehensive income	**(0.15)**
Employer contributions : Benefit payments	(0.09)
Balance as at March 31, 2023	**0.75**

Note :
The Holding Company has transferred some of their employees on the payroll of the Company. Hence corresponding liability has been transferred to the Company.

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(d) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate	7.36%	7.53%
Salary growth rate	8.00%	8.00%
Retirement age	60 Years	60 Years
Mortality	Indian Assured Lives Mortality 2012-2014	Indian Assured Lives Mortality 2012-2014
Attrition Rate		
18 to 30 years	3.00%	3.00%
30 to 45 years	2.00%	2.00%
Above 45 years	1.00%	1.00%

Notes :

(1) The discount rate is based on the prevailing market yield of Indian Government Securities as at Balance Sheet date for the estimated term of obligation.

(2) The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(e) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Gratuity		
Discount rate (increase by 1%)	(0.08)	(0.02)
Salary growth rate (increase by 1%)	0.10	0.03

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Gratuity		
Discount rate (decrease by 1%)	0.10	0.03
Salary growth rate (decrease by 1%)	(0.08)	(0.03)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e. projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

(f) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

(g) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 19.57 years.
The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Less than a year	0.21	0.00
Between 1 - 1 years	0.03	0.00
Between 2 - 3 years	0.08	0.01
Between 3 - 4 years	0.13	0.01
Between 4 - 5 years	0.08	0.01
Beyond 5 years	1.06	0.45
Total	**1.58**	**0.48**

35 Earnings per Equity share

The following table reflects the profit and shares data used in the computation of basic and diluted earnings per share.

(Rupees in crore, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit for the year attributable to the equity holders of the Company used in calculating basic and diluted earnings per share	6.73	(1.57)
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	447.13	172.45
(a) Basic earnings per share (in Rupees)	0.15	(0.09)
(b) Diluted earnings per share (in Rupees)	0.15	(0.09)

APL Apollo Building Products Pvt. Ltd.

36 Related party transactions

(a) Details of related parties:

	Name of related parties
(i) Holding Company	APL Apollo Tubes Limited
(ii) Fellow subsidiaries	Apollo Metalex Private Limited APL Apollo Mart Limited (w.e.f December 7, 2021) APL Apollo Tubes FZE Blue Ocean Projects Private Limited
(iii) Key Management Personnel (KMP)	Mr. Sanjay Gupta (Director) Mr. Vinay Gupta (Managing Director) Mr. Rahul Gupta (Managing Director)
(iv) Enterprises significantly influenced by KMP and their relatives (with whom transactions have taken place during the year)	Apollo Pipes Limited

(b) Transactions during the year

(Rupees in crore)

Particulars		Holding Company	Fellow Subsidiaries	Key Management Personnel (KMP)	Enterprises significantly influenced by KMP and their relatives	Total
Purchase of raw material & stock in trade (net of discounts) (including stock capitalised)						
APL Apollo Tubes Limited	C.Y.	109.98	-	-	-	109.98
	P.Y.	48.01	-	-	-	48.01
Apollo Metalex Private Limited	C.Y.	-	6.59	-	-	6.59
	P.Y.	-	1.56	-	-	1.56
	C.Y.	**109.98**	**6.59**	-	-	**116.57**
	P.Y.	**48.01**	**1.56**	-	-	**49.58**
Purchase of stores and spares						
APL Apollo Tubes Limited	C.Y.	1.61	-	-	-	1.61
	P.Y.	0.52	-	-	-	0.52
Apollo Metalex Private Limited	C.Y.	-	0.05	-	-	0.05
	P.Y.	-	0.10	-	-	0.10
Apollo Pipes Limited	C.Y.	-	-	-	0.17	0.17
	P.Y.	-	-	-	0.19	0.19
	C.Y.	**1.61**	**0.05**	-	**0.17**	**1.83**
	P.Y.	**0.52**	**0.10**	-	**0.19**	**0.80**
Purchase of scrap						
APL Apollo Tubes Limited	C.Y.	0.15	-	-	-	0.15
	P.Y.	2.21	-	-	-	2.21
	C.Y.	**0.15**	-	-	-	**0.15**
	P.Y.	**2.21**	-	-	-	**2.21**
Purchase of property, plant and equipment						
APL Apollo Tubes Limited	C.Y.	46.52	-	-	-	46.52
	P.Y.	65.15	-	-	-	65.15
	C.Y.	**46.52**	-	-	-	**46.52**
	P.Y.	**65.15**	-	-	-	**65.15**
Sale of goods (net of discounts)						
APL Apollo Tubes Limited	C.Y.	478.36	-	-	-	478.36
	P.Y.	30.46	-	-	-	30.46
Apollo Metalex Private Limited	C.Y.	-	0.66	-	-	0.66
	P.Y.	-	-	-	-	-
	C.Y.	**478.36**	**0.66**	-	-	**479.02**
	P.Y.	**30.46**	-	-	-	**30.46**
Sale of scrap						
APL Apollo Tubes Limited	C.Y.	5.59	-	-	-	5.59
	P.Y.	0.01	-	-	-	0.01
	C.Y.	**5.59**	-	-	-	**5.59**
	P.Y.	**0.01**	-	-	-	**0.01**
Sale of property, plant and equipment						
APL Apollo Tubes Limited	C.Y.	1.89	-	-	-	1.89
	P.Y.	1.08	-	-	-	1.08
Apollo Metalex Private Limited	C.Y.		5.55	-	-	5.55
	P.Y.	-	-	-	-	-
	C.Y.	**1.89**	**5.55**	-	-	**7.44**
	P.Y.	**1.08**	-	-	-	**1.08**
Salary						
Romi Sehgal	C.Y.	-	-	0.76	-	0.76
	P.Y.	-	-	-	-	-
Rahul Gupta	C.Y.	-	-	0.55	-	0.55
	P.Y.	-	-	-	-	-
	C.Y.	-	-	**1.31**	-	**1.31**
	P.Y.	-	-	-	-	-
Interest Expense (including amount capitalised)						
APL Apollo Tubes Limited	C.Y.	9.07	-	-	-	9.07
	P.Y.	1.82	-	-	-	1.82
Apollo Metalex Private Limited	C.Y.	-	4.07	-		4.07
	P.Y.	-	2.48	-		2.48
	C.Y.	**9.07**	**4.07**	-	-	**13.14**
	P.Y.	**1.82**	**2.48**	-	-	**4.30**
Loan taken						
APL Apollo Tubes Limited	C.Y.	647.74	-	-	-	647.74
	P.Y.	-	-	-	-	-
		647.74	-	-	-	**647.74**
		-	-	-	-	-

Loan repayment						
APL Apollo Tubes Limited	C.Y.	367.74	-	-	-	367.74
	P.Y.	-	-	-	-	-
Apollo Metalex Private Limited	C.Y.	-	150.00	-	-	150.00
	P.Y.	-	-	-	-	-
	C.Y.	**367.74**	**150.00**	-	-	**517.74**
	P.Y.	-	-	-	-	-
Allocation Common Expenses						
APL Apollo Tubes Limited	C.Y.	0.14	-	-	-	0.14
	P.Y.	-	-	-	-	-
	C.Y.	**0.14**	-	-	-	**0.14**
	P.Y.	-	-	-	-	-
Rent Paid						
APL Apollo Tubes Limited	C.Y.	1.86	-	-	-	1.86
	P.Y.	-	-	-	-	-
	C.Y.	**1.86**	-	-	-	**1.86**
	P.Y.	-	-	-	-	-

(Rupees in crore)

Particulars		**Holding Company**	**Fellow Subsidiaries**	**Key Management Personnel (KMP)**	**Enterprises significantly influenced by KMP and their relatives**	**Total**
(c) Balances outstanding at the end of the year						
Trade payable						
Apollo Pipes Limited	C.Y.	-	-	-	0.02	0.02
	P.Y.	-	-	-	-	-
Rahul Gupta	C.Y.	-	-	0.33	-	0.33
	P.Y.	-	-	-	-	-
Romi Sehgal	C.Y.	-	-	0.06	-	0.06
	P.Y.	-	-	-	-	-
APL Apollo Tubes Limited	C.Y.	-	-	-	-	-
	P.Y.	58.33	-	-	-	58.33
	C.Y.	-	-	**0.39**	**0.02**	**0.41**
	P.Y.	**58.33**	-	-	-	**58.33**
Interest Payable						
APL Apollo Tubes Limited	C.Y.	3.05	-	-	-	3.05
	P.Y.	1.26	-	-	-	1.26
Apollo Metalex Private Limited	C.Y.	-	-	-	-	-
	P.Y.	-	1.17	-	-	1.17
	C.Y.	**3.05**	-	-	-	**3.05**
	P.Y.	**1.26**	**1.17**	-	-	**2.43**
Expense payable						
APL Apollo Tubes Limited	C.Y.	3.75	-	-	-	3.75
	P.Y.	0.07	-	-	-	0.07
Apollo Metalex Private Limited	C.Y.	-	0.07	-	-	0.07
	P.Y.	-	-	-	-	-
	C.Y.	**3.75**	**0.07**	-	-	**3.82**
	P.Y.	**0.07**	-	-	-	**0.07**
Claim receivables						
APL Apollo Tubes Limited	C.Y.	0.03	-	-	-	0.03
	P.Y.	2.34	-	-	-	2.34
Apollo Metalex Private Limited	C.Y.	-	-	-	-	-
	P.Y.	-	0.03	-	-	0.03
	C.Y.	**0.03**	-	-	-	**0.03**
	P.Y.	**2.34**	**0.03**	-	-	**2.36**
Trade receivables						
APL Apollo Tubes Limited	C.Y.	0.11	-	-	-	0.11
	P.Y.	0.17	-	-	-	0.17
	C.Y.	**0.11**	-	-	-	**0.11**
	P.Y.	**0.17**	-	-	-	**0.17**
Loan Payable						
APL Apollo Tubes Limited	C.Y.	280.00	-	-	-	280.00
	P.Y.	-	-	-	-	-
Apollo Metalex Private Limited	C.Y.	-	-	-	-	-
	P.Y.	150.00	-	-	-	150.00
	C.Y.	**280.00**	-	-	-	**280.00**
	P.Y.	**150.00**	-	-	-	**150.00**

Notes :

(i) C.Y. represents figures for the year ended March 31, 2023 and P.Y. represents figures for the year ended March 31, 2022

(ii) APL Apollo Tubes Limited, the holding Company has also given corporate guarantee for term loan and other credit facilities taken by the Company from banks.

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37 Fair value measurements

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2023 and March 31, 2022.

(Rupees in Crores)

Particulars	As at March 31, 2023		As at March 31, 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets - Non Current				
Security deposit	-	6.59	-	4.67
Financial assets - Current				
Trade Receivables	-	11.11	-	2.93
Loans to employees	-	0.03	-	0.01
Cash and cash equivalents	-	3.12	-	4.04
Balances with banks	-	4.89	-	2.42
Interest accrued	-	0.35	-	0.09
Total financial assets	**-**	**26.09**	**-**	**14.16**
Financial liabilities - Non Current				
Borrowings	-	622.83	-	388.74
Lease liabilities	-	28.08	-	25.13
Financial liabilities -Current				
Borrowings	-	100.83	-	-
Lease liabilities	-	1.86	-	1.86
Trade payable	-	230.64	-	65.75
Capital Creditors	-	17.46	-	4.91
Retention money payable	-	5.67	-	1.38
Interest payable	-	5.73	-	2.73
Total financial liabilities	**-**	**1,013.10**	**-**	**490.50**

Fair value of forward contracts determined by reference to quote from financial institution.

(a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

(b) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

38 Financial risk management objectives

The Company's activities expose it to market risk (including foreign currency risk and interest rate risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors, Company Treasury Department identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as hedging of foreign currency transactions foreign exchange risk.

(a) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.

(i) Foreign currency risk

The Company's functional currency in Indian Rupees (INR). The Company undertakes transactions denominated in the foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's the costs of imports, primarily in relation to raw material. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in the increase in the Company's overall debt positions in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result inreduction 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. At any point in time, the Company hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months. In respect of imports and other payables, the Company hedges its payable as when the exposure arises.

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Details on derivative instruments and unhedged foreign currency exposures

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Currency	As at March 31, 2023	As at March 31, 2022
Advance paid to vendors		
USD	51,15,129	8,30,518
Equivalent amount in Rupees	42.07	6.29
EURO	-	-
Equivalent amount in Rupees	-	-

Sensitivity
If INR is depreciated by 0.5% vis-s-a-vis foreign currency, the impact thereof on the profit and loss (after tax) of the company are given below:

Particulars	Impact on profit after tax Year ended March 31,2023	Year ended March 31,2022
USD sensitivity		
INR/USD Increases by 0.5% (March 31, 2023 - 0.5%)	(0.17)	(0.03)
INR/USD Decrease by 0.5% (March 31, 2023 - 0.5%)	0.17	0.03
EURO sensitivity		
INR/EURO Increases by 0.5% (March 31, 2023 - 0.5%)	-	-
INR/EURO Decrease by 0.5% (March 31, 2023 - 0.5%)	-	-

(a) 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 rupees and US dollars with a mix of fixed and floating rates of interest. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

(Rupees in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings	443.66	238.74
Fixed rate borrowings	280.00	150.00
Total borrowings	**723.66**	**388.74**

As at the end of the reporting period, the company had the following variable rate borrowings:

Particulars	Amount	% of total loans
As at March 31,2023		
Bank overdrafts,bank loans cash credit	443.66	61.31%
As at March 31,2022		
Bank overdrafts,bank loans cash credit	238.74	61.41%

Sensitivity
Profit or loss (after tax) 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)	(1.84)	(0.99)
Interest rates - decrease by 50 basis points (50 bps)	1.84	0.99

(b) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the Company.

Company's trade receivables are generally categories into following categories:
1. Institutional customers
2. Dealers

In case of sale to institutional customers certain credit period is allowed. In order to mitigate credit risk, majority of the sales are secured by letter of credit, bank guarantee, post dated cheques, etc.

In case of sale to dealers certain credit period is allowed. In order to mitigate credit risk, majority of the sales made to dealers are secured by way of post dated cheques (PDC).

Further, Company has an ongoing credit evaluation process in respect of customers who are allowed credit period.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

(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.

(i) Financing Arrangements: The position of undrawn borrowing facilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Floating Rate borrowings	456.87	-
Nature of Facility	Working Capital	Working Capital

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(ii) 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.

Contractual maturities of financial liabilities:

(Rupees in Crores)

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
March 31, 2023				
Borrowings	100.83	622.83	-	723.66
Lease Liabilities	1.86	7.44	20.64	29.94
Trade payable	230.64	-	-	230.64
Capital Creditors	17.46	-	-	17.46
Retention money payable	5.67	-	-	5.67
Interest payable	5.73	-	-	5.73
Total non-derivative liabilities	**362.19**	**630.27**	**20.64**	**1,013.10**
Non-derivatives				
March 31, 2022				
Borrowings	-	360.99	27.75	388.74
Lease Liabilities	1.86	7.44	17.69	26.99
Trade payable	65.75	-	-	65.75
Capital Creditors	4.91	-	-	4.91
Retention money payable	1.38	-	-	1.38
Interest payable	2.73	-	-	2.73
Total non-derivative liabilities	**76.63**	**368.43**	**45.44**	**490.50**

39 Reconciliation of liabilities arising from financing activities

Particulars	Opening balance as at April 1, 2021	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2022
Non-current borrowings	-	388.74	-	388.74
Current borrowings	-	-	-	-
Total liabilities from financing activities	**-**	**388.74**	**-**	**388.74**

(Rupees in crore)

Particulars	As at March 31, 2022	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2023
Non-current borrowings	388.74	234.09	-	622.83
Current borrowings	-	100.83	-	100.83
Total liabilities from financing activities	**388.74**	**334.92**	**-**	**723.66**

40 Capital Management

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 maximise 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.

(Rupees in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Non current borrowings	622.83	388.74
Current borrowings	-	-
Less: Cash and cash equivalents	(3.12)	(4.04)
Total Debts	**619.71**	**384.70**
Total equity	**603.42**	**256.56**
Gearing Ratio	**1.03**	**1.50**

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

41 Relationship with Struck off companies

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 .

42 Corporate Social Responsibility

The provisions of Section 135 of the Companies Act,2013 relating to Corporate Social Responsibility (CSR) are not applicable to the Company during the year. Hence, no CSR provision has been created for the year ended March 31, 2023 (March 31, 2022: Nil).

43 Cryptocurrency or Virtual currency Transactions

As explained by management, The Company did not enter transactions in Cryptocurrency or Virtual currency during the year ended March 31,2023 (March 31,2022: Nil).

APL Apollo Building Products Pvt. Ltd.

44 Financial Ratios as per the Schedule III requirements

	Particulars	March 31,2023	March 31,2022
(i)	Current Ratio Current Ratio = Current Assets / Current Liabilities % change from previous year	1.34 -32%	1.96
(ii)	Debt-Equity Ratio Debt-Equity Ratio = Net Debt[1] / Shareholder's Equity % change from previous year	1.19 -20%	1.49
(iii)	Debt Service Coverage Ratio Debt Service Coverage Ratio = Earnings available for debt service[2] / Debt service[3] % change from previous year	0.04 -1305%	0.00
(iv)	Return on Equity Ratio Return on Equity Ratio= Net Profit after tax / Average Shareholder's Equity % change from previous year	1.57% -282%	-0.86%
(v)	Inventory turnover ratio Inventory turnover ratio= Sales / Average inventory % change from previous year	5.62 118%	2.58
(vi)	Trade receivables turnover ratio Trade receivables turnover ratio= Sales / Average trade receivables % change from previous year	133.27 708%	16.48
(vii)	Trade payables turnover ratio Trade payables turnover ratio= Net purchases / Average trade payables % change from previous year	3.98 947%	0.38
(viii)	Net capital turnover ratio Net capital turnover ratio= Sales / Working capital % change from previous year	1.55 1545%	0.09
(ix)	Net Profit Ratio Net Profit Ratio= Profit after tax / Sales % change from previous year	0.72% -111%	-6.43%
(x)	Return on capital employed Return on capital employed = Earning before interest and taxes[4] / Capital employed[5] % change from previous year	2.84% -948%	-0.34%
(xi)	Return on investment Return on investment= Income generated from invested funds / average invested funds in treasury investments % change from previous year	NA	NA

Explanation of formulas used in calculating ratios :

(1) Net debt includes borrowings (long term and short term) net of cash & cash equivalents and bank balances.
(2) Earnings available for debt service includes profit after tax, finance costs, depreciation and other non cash expense.
(3) Debt service includes finance costs paid and principal repayment of borrowings (long term and short term).
(4) Earning before interest and taxes includes Profit before tax plus depreciation.
(5) Capital employed includes Tangible net worth (Total assets - total liability - intangible assets), net debt and deferred tax liability.

Note :
Revenue growth resulting in increase in profits along with higher efficiency on working capital improvement has resulted improvement in the ratios.

45 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, 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.

46 No funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

47 **Event after the reporting period**-The Board of Directors in their meeting held on 24th April 2023, approved allotment of 20,000 (Twenty Thousand) rated, listed, senior, unsecured, redeemable, taxable, transferable, non-convertible debentures (NCDs) having Face Value of Rs. 1,00,000 (Rupees One Lakh Only) each aggregating to Rs.200 crore/- (Rupees Two Hundred Crores Only) on Private Placement basis.

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

For **VAPS & Company**
Chartered Accountants
Firm's Registration No. 003612N

PRAVEEN KUMAR JAIN
Partner
Membership No. 082515
UDIN : 23082515BGWJS8523

VAPS & COMPANY ★ New Delhi ★ CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
APL APOLLO BUILDING PRODUCTS PRIVATE LIMITED

VINAY GUPTA
Managing Director
DIN : 00005149

RAHUL GUPTA
Managing Director
DIN : 07151792

DEEPAK GOYAL
Chief Financial Officer

DEEPAK CS
Company Secretary
ICSI Membership No. : F5060

Place : New Delhi
Date : May 11, 2023

Place : New Delhi
Date : May 11, 2023

APL Apollo Building Products Pvt. Ltd. ★