

INDEPENDENT AUDITOR'S REPORT

To The Members of Apollo Metalex Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Apollo Metalex Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material 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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including Annexures to Board's Report, 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 do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements 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 and Board of Directors 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 judgment 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 internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 with reference to financial statements 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 with reference to financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 35(a) to the financial statements);
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses (Refer note 35(b)(3) to the financial statements);
 - iii. There has been no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company (Refer note 35(c) to the financial statements);
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds 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. (Refer note 43(e) to the financial statements)



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- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), 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. (Refer note 43(f) to the financial statements)
- (c) Based on the audit procedures performed 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.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used an accounting software(s) for maintaining its books of account for the financial year ended March 31, 2024 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(s). Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. (Refer note 43(i) to the financial statement)

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024. (Refer note 43(i) to the financial statements).

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



JITENDRA AGARWAL
(Partner)
(Membership No. 87104)
(UDIN: 24087104BKCUDZ3998)

Place: Noida
Date: May 11, 2024

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 of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **APOLLO METALEX PRIVATE LIMITED** ("the Company") as at March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on "the internal control with reference to financial statements 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, including adherence to the company's policies, 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 Company's internal financial controls with reference to financial statements 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 with reference to financial statements. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on "the criteria for internal financial control with reference to financial statements 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 **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Jitendra Agarwal
JITENDRA AGARWAL
(Partner)
(Membership No. 87104)
(UDIN: 24087104BKCUDZ3998)

Place: Noida
Date: May 11, 2024

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) In respect of the Company's property, plant and equipment, capital work-in-progress and right of use assets:
- A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress 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, capital work-in-progress and right of use assets so to cover all items once in every two years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the program, all property, plant and equipment were due for verification during the year and were physically verified by the Management subsequent to year end. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans and guarantees are held in the name of the Company based on the confirmations directly received by us from lenders / custodians. In respect of immovable properties that have been taken on lease and disclosed in the financial statements as right of use asset, as at the balance sheet date, the lease agreements are duly executed in favour of the Company.
- (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) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories (other than inventories in transit) were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. Inventories in transit, were verified



by the management based on the subsequent delivery challans. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising statement of stock position filed by the Company with such banks or financial institutions are in agreement with unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or securities or loans or advances in nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any parties during the year, except that the Company has granted loans during the year to its employees.
- (a) Based on the audit procedure carried on by us and as per the information and explanations given to us, the Company has provided loans to its employees amounting to Rs 0.33 crores. The balance outstanding towards loans to its employees as at balance sheet date amounts to Rs 0.23 crores.
- (b) According to the information and explanations given to us and based on the audit report procedures conducted by us, in our opinion, the terms and conditions of the grant of loans to its employees during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given to its employees, in our opinion the repayment of principal has been stipulated and the receipts have been regular. These loans are interest free and hence there is no stipulation with respect to the payment of interest.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for 90 days in respect of loans given.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, 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 (iii)(f) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.



- (v) According to the information and explanations given to us, the Company has not accepted any deposit or amount which are deemed to be deposits during the year. The Company does not have any unclaimed deposits and accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government for maintenance of cost records under section 148 (1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been generally regularly deposited by it with the appropriate authorities. We have been informed that the provisions of Service Tax, Sales tax, duty of Excise and Value Added Tax are not applicable to the Company. Also refer to the note 35(a)(i) to the financial statements regarding management assessment on certain matters relating to the provident fund.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employee's State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

(Amount Rupees in Crore)

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (net of payment)	Amount paid under protest
Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	Commercial Tax Tribunal, Ghaziabad	2011-2012, 2013-2014, 2015-2016 and 2017-2018	2.10	0.46
		Additional Commissioner Grade-2 (Appeal)	2016-2017	1.18	0.59
Central Excise Act, 1944	Excise	High Court of Allahabad	2011-2012 and 2012-2013	5.70	-
			2010-2011 and 2011-2012	4.58	-
		CESTAT, Allahabad	2011-2012	0.35	0.03



- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (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 did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) and (f) of the Order are not applicable to the Company.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, 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 upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. 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 issued to the Company during the year covering specific processes scoped in the review as per Internal Audit Plan covering period upto March 31, 2024 for the period under the audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) As set out in the note 43(b) of the financial statements, the Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.



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(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Jitendra Agarwal

JITENDRA AGARWAL

(Partner)

(Membership No. 87104)

(UDIN:24087104BKCUDZ3998)

Place: Noida

Date: May 11, 2024

APOLLO METALEX PRIVATE LIMITED
CIN-U27104DL2006PTC146579
Balance Sheet as at March 31, 2024

Particulars	Notes	(Rupees in crore)	
		As at March 31, 2024	As at March 31, 2023
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2(a)	203.44	195.75
(b) Capital work-in-progress	2(b)	13.71	2.38
(c) Right of use assets	2(c)	22.20	22.62
(d) Intangible assets	2(d)	0.01	0.01
(e) Financial assets			
(i) Investment	3	2.27	2.27
(ii) Other financial assets	4	4.87	4.60
(f) Non-current tax assets (net)	5	-	1.05
(g) Other non-current assets	6	5.76	21.87
Total non-current assets		252.26	250.55
(2) Current assets			
(a) Inventories	7	123.80	109.18
(b) Financial assets			
(i) Trade receivables	8	44.43	27.51
(ii) Cash and cash equivalents	9	46.72	1.24
(iii) Bank balances other than (ii) above	10	0.92	85.00
(iv) Loans	11	0.23	0.11
(v) Other financial assets	12	591.16	290.00
(c) Other current assets	13	17.99	9.81
Total current assets		825.25	522.85
Total Assets		1,077.51	773.40
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	14(a)	2.71	2.71
(b) Other equity	14(b)	839.56	594.09
Total equity		842.27	596.80
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	4.10	0.68
(b) Provisions	16	4.45	3.89
(c) Deferred tax liabilities (net)	17	17.32	16.96
(d) Other non-current liabilities	18	6.95	5.56
Total non-current liabilities		32.82	27.09
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	32.68	30.00
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	20	1.07	1.58
- total outstanding dues of creditors other than micro and small enterprises		132.39	107.32
(iii) Other financial liabilities	21	0.97	1.41
(b) Other current liabilities	22	8.28	4.27
(c) Provisions	23	0.26	0.29
(d) Current tax liabilities (net)	24	26.77	4.64
Total current liabilities		202.42	149.51
Total Equity and Liabilities		1,077.51	773.40

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

1-43

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Jitendra Agarwal

JITENDRA AGARWAL
Partner
Membership No. 87104



For and on behalf of the Board of Directors of
APOLLO METALEX PRIVATE LIMITED

Vinay Gupta
VINAY GUPTA
Managing Director
DIN : 00005149

Sanjay Gupta
SANJAY GUPTA
Director
DIN : 00233188

Sunil Mittal
SUNIL MITTAL
Chief Financial Officer

Place: Noida
Date: May 11, 2024



Place: Noida
Date: May 11, 2024

APOLLO METALEX PRIVATE LIMITED
CIN-U27104DL2006PTC146579
Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Notes	(Rupees in crore)	
		Year ended March 31, 2024	Year ended March 31, 2023
I Revenue from operations	25	2,871.53	2,734.71
II Other income	26	39.26	18.88
III Total revenue (I +II)		2,910.79	2,753.59
IV Expenses			
(a) Cost of materials consumed	27	2,314.82	2,160.61
(b) Purchase of stock-in-trade		50.76	253.29
(c) Changes in inventories of finished goods, stock-in-trade, work-in-progress, reiection and scrap	28	(1.86)	(40.89)
(d) Employee benefits expense	29	36.60	30.51
(e) Finance costs	30	7.42	3.96
(f) Depreciation and amortisation expense	31	16.60	15.76
(g) Other expenses	32	158.36	155.06
Total expenses		2,582.70	2,578.30
V Profit before tax (III - IV)		328.09	175.29
VI Tax expense:			
(a) Current tax		83.08	44.74
(b) Income tax related to earlier years		(0.79)	-
(c) Deferred tax charge (net)	17	0.35	0.16
Total tax expense		82.64	44.90
VII Profit for the year (V-VI)		245.45	130.39
VIII Other comprehensive income for the year			
Add : (less) items that will not be reclassified to profit or loss			
(a) Remeasurement of post employment benefit obligation		0.03	(0.05)
(b) Income tax relating to above item		(0.01)	0.01
Other comprehensive income / (expense):		0.02	(0.04)
IX Total comprehensive income for the year (VII+VIII)		245.47	130.35
X Earnings per equity share of Rupees 10 each:			
(a) Basic (in Rupees)	34	905.36	480.95
(b) Diluted (in Rupees)	34	905.36	480.95

See accompanying notes to the financial statements

1-43

In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

For and on behalf of the Board of Directors of
APOLLO METALEX PRIVATE LIMITED

Jitendra Agarwal

JITENDRA AGARWAL
Partner
Membership No. 87104



Vinay Gupta

VINAY GUPTA
Managing Director
DIN : 00005149

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SANJAY GUPTA
Director
DIN : 00233188

Sunil Mittal

SUNIL MITTAL
Chief Financial Officer

Place: Noida
Date: May 11, 2024

Place: Noida
Date: May 11, 2024



APOLLO METALEX PRIVATE LIMITED
CIN-U27104DL2006PTC146579
Cash flow statement for the year ended March 31, 2024

Particulars	Notes	(Rupees in crore)	
		Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flow from operating activities			
Profit before tax		328.09	175.29
Adjustments for:			
Depreciation and amortisation expense		16.60	15.76
Loss on sale of property, plant and equipment (net)		0.71	0.83
Finance costs		7.42	3.96
Net unrealized foreign exchange (gain)		(0.39)	0.17
Provision for slow moving inventory of spares & consumables		0.18	0.19
Export obligation deferred income amortisation		(0.33)	(0.56)
Interest subsidy benefit on borrowings for exports		(0.92)	(0.28)
Operating profit before working capital changes		351.36	195.36
Changes in working capital:			
Adjustments for (increase) / decrease in operating assets:			
Inventories		(14.80)	(58.84)
Trade receivables		(16.53)	1.68
Current loans and other financial assets		(56.33)	(7.73)
Non-current loans and other financial assets		(0.27)	(0.23)
Other current assets		(8.18)	(6.10)
Other non-current assets		(1.05)	0.37
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		24.56	72.97
Other current liabilities		4.01	(8.83)
Other non current liabilities		(0.00)	-
Other current financial liabilities		(0.29)	0.29
Provision (current & non-current)		0.56	0.80
Cash generated from operations		283.04	189.75
Income tax paid		(59.10)	(40.65)
Net cash flow from / (used in) operating activities (A)		223.94	149.10
B. Cash flow from investing activities			
Capital expenditure on property, plant and equipment (including capital advances)		(19.63)	(41.13)
Proceed from short term fixed deposits (net)		84.08	(54.48)
Investment in other company		-	(0.02)
Investment in fixed deposits		(522.02)	(277.01)
Proceed from long term fixed deposits		277.01	
Repayment of loan from related party		-	150.00
Proceed from sale of property, plant and equipment		0.76	1.03
Net cash from / (used in) investing activities (B)		(179.80)	(221.60)
C. Cash flow from financing activities			
Repayment of non-current borrowings		3.43	0.45
Repayment of current borrowings (net)		2.68	26.58
Finance costs		(4.77)	(3.35)
Net cash from / (used in) financing activities (C)		1.34	23.68
Net (decrease) / increase in cash and cash equivalents (A+B+C)		45.48	(48.84)
Cash and cash equivalents at the beginning of the year		1.24	50.08
Cash and cash equivalents at the end of the year		46.72	1.24
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 9		46.72	1.24

See accompanying notes to the financial statements

1-43

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

JITENDRA AGARWAL
Partner
Membership No. 87104



**For and on behalf of the Board of Directors of
APOLLO METALEX PRIVATE LIMITED**

VINAY GUPTA
Managing Director
DIN : 00005149

SANJAY GUPTA
Director
DIN : 00233188

SUNIL MITTAL
Chief Financial Officer



Place: Noida
Date: May 11, 2024

Place: Noida
Date: May 11, 2024

APOLLO METALEX PRIVATE LIMITED
CIN-U27104DL2006PTC146579
Statement of Changes in Equity for the year ended March 31, 2024

A. Equity share capital

Particulars	(Rupees in crore) Amount
Balance as at April 1, 2022	2.71
Changes during the year ended March 31, 2023	-
Balance as at March 31, 2023	2.71
Changes during the year ended March 31, 2024	-
Balance as at March 31, 2024	2.71

B. Other equity

Particulars				(Rupees in crore) Total
	Securities premium	General Reserve	Retained Earnings	
Balance as at April 1, 2022	4.50	0.50	458.74	463.74
Profit for the year ended March 31, 2023	-	-	130.39	130.39
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	(0.04)	(0.04)
Total comprehensive income for the year	-	-	130.35	130.35
Balance as at March 31, 2023	4.50	0.50	589.09	594.09
Profit for the year ended March 31, 2024	-	-	245.45	245.45
Other comprehensive income for the year, net of tax (Remeasurements of post employment benefit obligation)	-	-	0.02	0.02
Total comprehensive income for the year	-	-	245.47	245.47
Balance as at March 31, 2024	4.50	0.50	834.56	839.56

See accompanying notes to the financial statements

1-43

In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

JITENDRA AGARWAL
Partner
Membership No. 87104



For and on behalf of the Board of Directors of
APOLLO METALEX PRIVATE LIMITED

VINAY GUPTA
Managing Director
DIN : 00005149

SUNIL MITTAL
Chief Financial Officer

SANJAY GUPTA
Director
DIN : 00233188

Place: Noida
Date: May 11, 2024

Place: Noida
Date: May 11, 2024



1(i) Company background

Apollo Metalex Private Limited ("the Company") is a non-government private company limited by shares. The Company was incorporated in India having CIN : U27104DL2006PTC146579 on 20 February, 2006 with its registered office at 37, Hargobind Enclave, Vikas Marg, Delhi-110092. 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. The Company has two manufacturing units at Sikanderabad, Uttar Pradesh.

The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on May 11, 2024.

1(ii) Material Accounting Policies

The material 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") and other accounting principles generally accepted in India.

(b) Basis of Preparation

The financial statements have been prepared in conformity with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

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.

Going Concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

(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 & Income Tax

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.

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 Consolidated 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.

Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.



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.

(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 transaction**(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

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

(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. The Company recognises revenue at point in time.

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

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

Revenues are shown net of allowances/ returns, goods and services tax and applicable discounts and allowances.

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

(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 services are rendered.

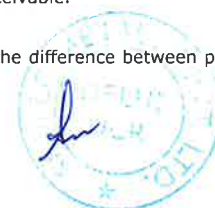
(g) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate or when performance obligation are met. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognised as deferred income in the consolidated balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.



(h) 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 substantively 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.

(i) 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 lessor

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.



(j) 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.

(k) 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.

(l) 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.

(m) 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.

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- 30 to 60 years
- (b) Roads- 10 years
- (c) Plant and machinery used in manufacturing of pipe-10 to 20 years
- (d) Other plant and machinery- 1 to 10 years
- (e) Vehicles- 8 years
- (f) Furniture and fixtures- 10 years
- (g) Office equipment- 2-5 years
- (h) Computers & servers- 3-6 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.

(n) Intangible assets

Intangible assets are amortised over their estimated useful life on straight line method as follows:

- (a) Computer software - 3 to 6 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

(o) 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.

(p) 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.

(q) 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.

(r) 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.

(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.

(s) 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.

(t) 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.

(u) 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. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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. Note 39 details how the Company determines 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
- (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 analyzed.

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.

(v) **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.

(w) **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.

(x) **Segment information**

The Company determines reportable segment based on information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segmental performance. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

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**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



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Notes to the financial statements for the year ended March 31, 2024

2(a) : Property, Plant and Equipment

Particulars	(Rupees in crore)	
	As at March 31, 2024	As at March 31, 2023
Carrying amounts of :		
Building	59.49	59.66
Plant and machinery	139.37	131.10
Office equipments	0.75	0.97
Vehicles	1.97	2.07
Furniture and fixtures	1.68	1.77
Computers	0.18	0.18
	203.44	195.75

Particulars	(Rupees in crore)					Total
	Building	Plant and machinery	Office equipments	Vehicles	Furniture and fixtures	
Cost / Deemed cost						
As at April 1, 2022	69.51	172.78	1.53	2.87	1.51	0.58
Additions	1.94	17.17	0.28	0.09	0.57	0.13
Sales during the year	(0.68)	(2.83)	(0.01)	-	(0.12)	(0.16)
Balance at March 31, 2023	70.77	187.12	1.80	2.96	1.96	0.55
Additions	3.28	21.46	0.13	0.25	0.08	0.13
Sales during the year	(1.07)	(1.25)	-	(0.16)	-	-
Balance at March 31, 2024	72.98	207.33	1.93	3.05	2.04	0.68

Accumulated depreciation						
Opening balance as at April 1, 2022	8.42	45.60	0.55	0.45	0.19	0.39
Elimination on disposal of assets	(0.12)	(1.14)	(0.01)	-	(0.11)	(0.15)
Depreciation expense	2.81	11.56	0.29	0.44	0.11	0.13
Balance at March 31, 2023	11.11	56.02	0.83	0.89	0.19	0.37
Elimination on disposal of assets	(0.22)	(0.64)	-	(0.15)	-	-
Depreciation expense	2.61	12.57	0.35	0.34	0.18	0.13
Balance at March 31, 2024	13.50	67.95	1.18	1.08	0.37	0.50

Net carrying value						
Balance at March 31, 2023	59.66	131.10	0.97	2.07	1.77	0.18
Balance at March 31, 2024	59.49	139.37	0.75	1.97	1.68	0.18

Note :

(1) Property, plant and equipment as detailed in 2(a) have been pledged as security for loans taken as at March, 2024. See note 19 for loans taken against these property, plant and equipment are pledged.



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Notes to the financial statements for the year ended March 31, 2024

2(b) Capital work in progress

	(Rupees in crore)		
Particulars	Building	Plant and machinery	Total
As at April 1, 2022	-	0.58	0.58
Add : Additions during the year	2.85	18.07	20.92
Less : Transfer to property, plant and equipment (see note 2(a))	(1.94)	(17.17)	(19.12)
Closing balance as at March 31, 2023	0.90	1.48	2.38
Add : Additions during the year	2.53	33.54	36.07
Less : Transfer to property, plant and equipment (see note 2(a))	(3.28)	(21.46)	(24.74)
Closing balance As at March 31, 2024	0.15	13.56	13.71

Ageing of Capital work in progress (CWIP) is as below :

	(Amount in crores)		
Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended	Amount As at March 31, 2024
Less than 1 year	13.71	-	13.71
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
Total	13.71	-	13.71

	(Amount in crores)		
Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended	Amount as at March 31, 2023
Less than 1 year	2.38	-	2.38
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
Total	2.38	-	2.38

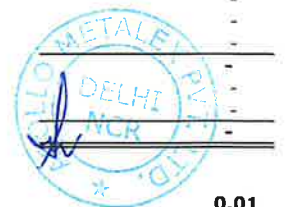
2(c) Right of use assets (ROU)

	(Rupees in crore)	
Particulars	Category of ROU Asset	Total
	Land	
Balance as at April 1, 2022	23.04	23.04
Additions	-	-
Deletions	-	-
Amortisation	(0.42)	(0.42)
Balance as at March 31, 2023	22.62	22.62
Additions	-	-
Deletions	-	-
Amortisation	(0.42)	(0.42)
Balance As at March 31, 2024	22.20	22.20

- (i) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The lease term is 57-90 years for land. 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 loans taken As at March 31, 2024. See note 15 and 19 for loans taken against which these assets are pledged.

2(d) Intangible assets

	(Rupees in crore)	
Particulars	Computer Software	
Cost / deemed cost		
As at April 1, 2022		0.01
Additions		-
Disposal		-
Balance at March 31, 2023		0.01
Additions		-
Disposal		-
Balance at March 31, 2024		0.01
Amortisation		
As at April 1, 2022		-
Amortisation expense		-
Elimination on disposal		-
Balance at March 31, 2023		-
Amortisation expense		-
Elimination on disposal		-
Balance at March 31, 2024		-
Net carrying value		
Balance at March 31, 2023		0.01
Balance at March 31, 2024		0.01



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3 Investment (Non-current)

(Rupees in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(a) Investments in equity instruments carried at fair value through the other comprehensive income - (unquoted, fully paid) :		
(i) 224,000 (March 31, 2023: 2,24,000) equity shares of Rupees 10 each fully paid up in AMPSOLAR Urja Private Limited (see note (i) below)	0.22	0.22
(ii) 25,000 (March 31, 2023: 25,000) equity shares of Rupees 10 each fully paid up in APL Apollo Foundation (see note (ii) below)	0.03	0.03
Sub total	0.25	0.25
(b) Investments in compulsory convertible debentures carried at cost - (unquoted, fully paid) :		
(i) 20,160 (March 31, 2023: 20,160) compulsory convertible debentures of Rupees 1,000 each fully paid up in AMPSOLAR Urja Private Limited	2.02	2.02
Sub total	2.02	2.02
Total	2.27	2.27

Note :

- (i) The Company holds 6.96 % (March 31, 2023 : 6.96%) equity shares of AMPSOLAR Urja Private Limited, a Company engaged in the business of providing solar energy to its customers.
- (ii) The Company has invested Rupees 0.03 crores in APL Apollo Foundation ('Foundation'), a Company registered under section 8 of the Companies Act, 2013. The Foundation was incorporated on April 19, 2022 to undertake CSR activities. As at March 31, 2024, the Company holds 16.67% (March 31, 2023 : 16.67%) equity shares of the Foundation.

4 Other financial assets (Non-current)

(Unsecured, considered good)

(Rupees in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(a) Security deposit	3.83	3.56
(b) Balance in margin money in fixed deposits with maturity of more than 12 months	1.04	1.04
Total	4.87	4.60

5 Non-current tax assets (net)

(Rupees in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(i) Advance income tax (net of provision As at March 31, 2024 Rupees Nil, March 31, 2023 Rupees 62.82 crore)	-	1.05
Total	-	1.05

6 Other non-current assets

(Unsecured, considered good)

(Rupees in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(a) Capital advances	4.68	21.84
(b) Payment under protest (see note (i) below)		
(i) Value added tax	1.05	-
(ii) Excise duty	0.03	0.03
Total	5.76	21.87

Note :

- (i) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially effect on its financial statements.



7 Inventories

(Rupees in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(a) Raw material (including stock-in-transit)	38.26	25.99
(b) Work in progress (including stock-in-transit)	50.45	47.43
(c) Finished goods (including stock-in-transit)	26.41	31.36
(d) Stock-in-trade	4.16	0.30
(e) Stores and spares	4.25	3.76
(f) Rejection and scrap (including stock-in-transit)	0.27	0.34
Total	123.80	109.18

Notes :

- (i) Cost of inventory (including stores & spares) recognised as expense during the year amounted to Rupees 2,383.29 crore (March 31, 2023 : Rupees 2,390.10 crore).

(Rupees in crore)

(ii) **Details of stock-in-transit**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Work in progress	0.71	0.17
Finished goods	14.22	12.23
Rejection and scrap	0.02	0.08

- (iii) Provision for slow moving inventory of stores & spares. 0.76 0.39
 (iv) The mode of valuation of inventories has been stated in note 1(ii)(l) of material accounting policies.
 (v) Inventories have been pledged as security towards Company's borrowings from banks.

9 Cash and cash equivalents

(Rupees in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(a) Cash on hand	0.01	0.01
(b) Balances with banks - in current accounts	0.10	1.20
(c) Balances with banks - in cash credit accounts	23.61	0.03
(d) In fixed deposits with maturity less than 3 months	23.00	-
Total	46.72	1.24

10 Bank balances other than cash and cash equivalents

(Unsecured, considered good)

(Rupees in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(a) Escrow account	0.92	-
(b) In fixed deposits with maturity more than 3 months & less than 12 months at inception - with banks	-	85.00
Total	0.92	85.00

11 Loans (Current)

(Unsecured, considered good)

(Rupees in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(a) Loans to employees	0.23	0.11
Total	0.23	0.11

12 Other financial assets (Current)

(Unsecured, considered good)

(Rupees in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(a) Claim receivables	0.58	2.65
(b) Government grant:		
(i) GST refund and Capital Interest subsidy receivable [see note 25 (ii)]	48.93	-
(ii) Export incentives receivable	0.16	0.79
(c) Interest accrued and due	19.50	9.56
(d) Balance in fixed deposits with original maturity of more than 12 months (see note below)	521.99	277.00
Total	591.16	290.00

Note:

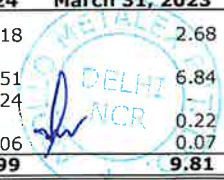
Fixed deposits of Rupees 229.00 crores (March 31, 2023 : Rupees Nil) are pledged as security towards credit facilities availed from a bank. As at year end March 31, 2024, no borrowings were outstanding against the fixed deposits pledged as security.

13 Other current assets

(Unsecured, considered good)

(Rupees in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(a) Advance to suppliers	5.18	2.68
(b) Balances with government authorities:		
(i) Goods and services tax (GST) credit receivable	7.51	6.84
(c) GST refund receivable	5.24	-
(d) Value added tax (VAT) credit receivable	-	0.22
(e) Prepaid expenses	0.06	0.07
Total	17.99	9.81



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8 Trade receivables (Current) (Unsecured)		(Rupees in crore)	
Particulars	As at	As at	
	March 31, 2024	March 31, 2023	
(a) Considered good			
(i) Related parties	2.93	0.23	
(ii) Other than related parties	41.50	27.28	
Sub total	44.43	27.51	
(b) Considered doubtful (other than related parties)	0.13	0.13	
Less: Allowance for doubtful debts (expected credit loss allowance)	(0.13)	(0.13)	
Sub total	-	-	
Total	44.43	27.51	

(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. Customers who represent more than 10% of the total balance of trade receivables are as follows :

Particulars	(Rupees in crore)
	As at
	March 31, 2024
Customer A	6.03
	6.03
% of total trade receivables	13.56%

Particulars	(Rupees in crore)
	As at
	March 31, 2023
Customer A	3.93
	3.93
% of total trade receivables	14.29%

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 crore)					
		As at March 31, 2024					
Particulars	Outstanding for following periods from due date of payment						Total
	Not yet due	Less than six months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed trade receivables - considered good	23.63	20.80	-	-	-	-	44.43
(b) Undisputed trade receivables - credit impaired	-	-	-	-	-	0.13	0.13
	23.63	20.80	-	-	-	0.13	44.56
Less : Allowance for credit losses							0.13
Net trade receivables							44.43
		(Rupees in crore)					
		As at March 31, 2023					
Particulars	Outstanding for following periods from due date of payment						Total
	Not yet due	Less than six months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed trade receivables - considered good	24.04	2.39	1.08	-	-	-	27.51
(b) Undisputed trade receivables - credit impaired	-	-	-	-	-	0.13	0.13
	24.04	2.39	1.08	-	-	0.13	27.64
Less : Allowance for credit losses							0.13
Net trade receivables							27.51



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(2) Movements in expected credit loss allowance of as below :

Particulars	(Rupees in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	0.13	0.13
Provision (written back) / Charge in statement of profit and loss	-	-
Balance at the end of the year	0.13	0.13

(3) Ageing wise % of expected credit loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Not yet due	-
Less than six months	-	-
6 months- 1 year	-	-
1-2 years	100 %	100 %
2-3 years	100 %	100 %
More than 3 years	100 %	100 %

(4) Trade receivables have been pledged as security towards Company's borrowings from banks.

Note :

There are no outstanding debts due from directors or other officers of the Company.



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Particulars	(Rupees in crore, except otherwise stated)			
	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
14 Equity				
14(a) Equity share capital				
(i) Authorised capital				
Equity shares of Rupees 10 each	30,00,000	3.00	30,00,000	3.00
	30,00,000	3.00	30,00,000	3.00
(ii) Issued capital				
Equity shares of Rupees 10 each	27,11,100	2.71	27,11,100	2.71
	27,11,100	2.71	27,11,100	2.71
(iii) Subscribed and fully paid up capital				
Equity shares of Rupees 10 each	27,11,100	2.71	27,11,100	2.71
	27,11,100	2.71	27,11,100	2.71

(1) **Reconciliation of the number of shares and amount outstanding as at March 31, 2024 and March 31, 2023 :**

Particulars	Number of shares		Amount	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024 (Rupees in crore)	As at March 31, 2023 (Rupees in crore)
Equity share capital				
Outstanding at the beginning of the year	27,11,100	27,11,100	2.71	2.71
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	27,11,100	27,11,100	2.71	2.71

(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. 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, 2024	As at March 31, 2023
APL Apollo Tubes Limited*	27,11,100	27,11,100

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

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
APL Apollo Tubes Limited*	27,11,100	100%	27,11,100	100%

* Out of total 2,711,100 equity shares, 2,711,099 equity shares are held by the APL Apollo Tubes Limited (holding Company) and remaining 1 share is held by Mr. Vinay Gupta as nominee/representative.

(4) **Shares held by promoters at the end of the year**

Name of promoter	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding	Number of shares held	% holding
APL Apollo Tubes Limited	27,11,099	99.99%	27,11,099	99.99%
Vinay Gupta	1	0.01%	1	0.01%

Note : There is no change in shares held by promoters during the current year and previous year.



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Notes to the financial statements for the year ended March 31, 2024

14(b) Other equity

(Rupees in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Security premium	4.50	4.50
General reserve	0.50	0.50
Retained earnings	834.56	589.09
Total	839.56	594.09
(1) Security premium		
Balance at the beginning of the year	4.50	4.50
Add: Additions during the year	-	-
Balance at the end of the year	4.50	4.50
(2) General reserve		
Balance at the beginning of the year	0.50	0.50
Add: Additions during the year	-	-
Balance at the end of the year	0.50	0.50
(3) Retained earnings		
Balance at the beginning of the year	589.09	458.74
Add: Total comprehensive income for the year	245.47	130.35
Balance at the end of the year	834.56	589.09
Total	839.56	594.09

Nature and purpose of reserves :-

(i) Securities premium : Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013 ("the Companies Act").

(ii) General reserve : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. General reserves represents the free profits of the Company available for distribution. As per the Companies Act, certain amount was required to be transferred to General Reserve every time Company distribute dividend. General reserve is not an item of OCI, items included in the general reserve will not be reclassified to profit or loss.

(iii) 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.

15 Borrowings (Non-current)

(Rupees in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Interest free loan		
- From others		
(i) Unsecured (see note (i) below)	4.10	0.68
Total	4.10	0.68

As at March 31, 2024		As at March 31, 2023	
Non current borrowings	Current Maturities of non-current borrowings	Non current borrowings	Current Maturities of non-current borrowings
4.10	-	0.68	-
Total	4.10	0.68	-

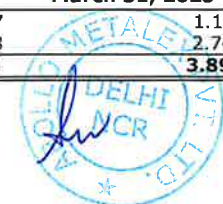
(i) Interest free loan from government

The Company has received interest free loan aggregating of Rupees 6.42 crores (March 31, 2023 of Rupees 0.98 crores) from government repayable in Financial year 2026-2027 to Financial year 2030-31. Using prevailing market interest rates for an equivalent loan of 6.70% to 7.50% in the year of grant, the fair value of these loans is estimated at Rupees 3.98 crore (As at March 31, 2023 : Rupees 0.59 crore). The difference of Rupees 2.46 crore (As at March 31, 2023 : Rupees 0.39 crore) between the gross proceeds and the fair value of the loan is recognised as deferred income. (see note 18)

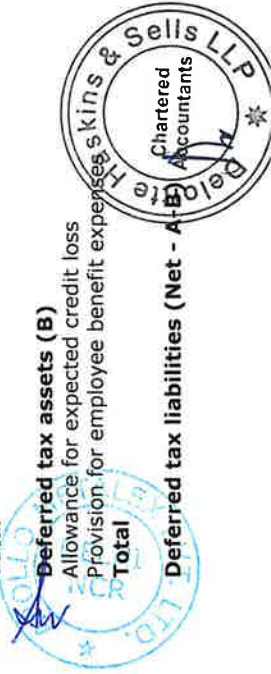
16 Provisions (Non-current)

(Rupees in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Provision for compensated absences	1.27	1.15
(b) Provision for gratuity (see note 36)	3.18	2.74
Total	4.45	3.89



		(Rupees in crore)	
		As at March 31, 2024	As at March 31, 2023
17	Deferred Tax Liabilities (net)		
(a)	Component of deferred tax assets and liabilities are :-		
	Particulars		
(i)	Deferred Tax Liabilities on account of		
	- Property, plant and equipments and other intangible assets	18.37	17.89
	- Others	0.18	0.17
	Total deferred tax liabilities (A)	18.55	18.06
(ii)	Deferred Tax Assets on account of		
	- Allowance for expected credit loss	0.03	0.03
	- Provision for employee benefit expenses	1.20	1.07
	Total deferred tax assets (B)	1.23	1.10
	Disclosed as deferred tax liabilities (Net - A-B)	17.32	16.96
(b)	Particulars	As at April 1, 2022	As at March 31, 2023
		(Profit) / Loss Recognised in profit or loss	Recognised in other comprehensive income
	Movement in deferred tax liabilities (A)		
	Property, plant and equipments and other intangible assets	17.64	0.25
	Others	0.10	0.07
	Total	17.74	0.32
	Deferred tax assets (B)		
	Allowance for expected credit loss	0.03	-
	Provision for employee benefit expenses	0.90	0.16
	Total	0.93	0.16
	Deferred tax liabilities (Net - A-B)	16.81	(0.01)
	Particulars	As at April 1, 2023	As at March 31, 2024
		(Profit) / Loss Recognised in profit & loss	Recognised in other comprehensive income
	Movement in deferred tax liabilities (A)		
	Property, plant and equipments and other intangible assets	17.89	0.48
	Others	0.17	0.01
	Total	18.06	0.49
	Deferred tax assets (B)		
	Allowance for expected credit loss	0.03	-
	Provision for employee benefit expenses	1.07	0.14
	Total	1.10	(0.01)
	Deferred tax liabilities (Net - A-B)	16.96	0.01



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Notes to the financial statements for the year ended March 31, 2024

18 Other non-current liabilities

		(Rupees in crore)	
Particulars	As at March 31, 2024	As at March 31, 2023	
(a) Deferred income - government grant for			
- related to purchase of property, plant and equipment (see note (i) below)	4.91	5.24	
- related to Interest free loan (see note (ii) below)	2.04	0.32	
	6.95	5.56	

Note :

- (i) Deferred income arises in respect of import of property, plant and equipment 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 35(b)(2)).
- (ii) The Company has received interest free loan aggregating of Rupees 6.42 crores (March 31, 2023 of Rupees 0.98 crores) from government repayable in Financial year 2026-2027 to Financial year 2030-31. Using prevailing market interest rates for an equivalent loan of 6.70% to 7.50% in the year of grant, the fair value of these loans is estimated at Rupees 3.98 crore (As at March 31, 2023 : Rupees 0.59 crore). The difference of Rupees 2.46 crore (As at March 31, 2023 : Rupees 0.39 crore) between the gross proceeds and the fair value of the loan is recognised as deferred income.

19 Borrowings (Current)

		(Rupees in crore)	
Particulars	As at March 31, 2024	As at March 31, 2023	
(a) Loan repayable on demand			
- From banks (secured)			
(i) Working capital facilities (see note (i) below)	32.68	30.00	
Total	32.68	30.00	

Note :

- (i) Working Capital facilities are secured by first pari passu charge on entire present and future current assets and second charge on entire present and future movable and immovable fixed assets of the company situated at A-2, Industrial Area, Sikandarabad, UP and A-25, Industrial Area, Sikandarabad. For Yes Bank facility is secured by first pari passu charge on entire present and future current assets and second charge on entire present and future movable fixed assets of the company. Credit facilities are further secured by personal guarantees of the Mr. Sanjay Gupta and Mr. Vinay Gupta and corporate guarantee of APL Apollo Tubes Limited.

20 Trade payables (Current)

		(Rupees in crore)	
Particulars	As at March 31, 2024	As at March 31, 2023	
(a) Total outstanding dues of micro enterprises and small enterprises (MSME) (see note 43(a))	1.07	1.58	
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	132.39	107.32	
Total	133.46	108.90	

Outstanding for following periods from date of transaction :

Particulars	(Rupees in crore)			
	As at March 31, 2024			
	Unbilled	0-1 years	1-2 years	Total
Micro and small enterprises (MSME)	-	1.07	-	1.07
Total outstanding dues of creditors other than MSME	23.67	108.72	-	132.39
	23.67	109.79	-	133.46

Outstanding for following periods from date of transaction :

Particulars	(Rupees in crore)			
	As at March 31, 2023			
	Unbilled	0-1 years	1-2 years	Total
Micro and small enterprises (MSME)	-	1.58	-	1.58
Total outstanding dues of creditors other than MSME	28.80	78.52	-	107.32
	28.80	80.10	-	108.90

21 Other financial liabilities (Current)

		(Rupees in crore)	
Particulars	As at March 31, 2024	As at March 31, 2023	
(a) Payable on purchase of property, plant and equipment	0.45	1.00	
(b) Retention money payable	0.51	0.13	
(c) Derivative liabilities (net)	-	0.28	
(d) Interest accrued but not due on borrowings	0.01	-	
	0.97	1.41	



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22 Other current liabilities		(Rupees in crore)	
Particulars	As at March 31, 2024	As at March 31, 2023	
(a) Statutory remittances	3.04	0.79	
(b) Advance from customers	4.58	3.12	
(c) Deferred income (see note 18)	0.36	0.36	
- Deferred liability related to purchase of property, plant and equipment	0.30	-	
- Interest free loan			
Total	8.28	4.27	

23 Provisions (Current)		(Rupees in crore)	
Particulars	As at March 31, 2024	As at March 31, 2023	
(a) Provision for compensated absences	0.09	0.11	
(b) Provision for gratuity (see note 36)	0.17	0.18	
Total	0.26	0.29	

24 Current tax liabilities (net)		(Rupees in crore)	
Particulars	As at March 31, 2024	As at March 31, 2023	
(a) Provision for tax (net of advance tax 56.31 crore, as at March 31, 2023 Rupees 74.58 crore)	26.77	4.64	
	26.77	4.64	



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25 Revenue from operations

(Rupees in crore)		
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of products (see note (i) below)	2,770.69	2,677.47
(b) Other operating revenue (see note (ii) below)	100.84	57.24
Total	2,871.53	2,734.71

Notes :

(i) **Reconciliation of revenue recognised with contract price :**

(Rupees in crore)		
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract price	2,855.65	2,746.61
Adjustments for:		
Discount & Incentives	(84.96)	(69.14)
Revenue from operations	2,770.69	2,677.47

(ii) **Other operating revenue comprises**

Sale of scrap	52.01	55.56
Export incentive	0.80	1.68
Government grant income (see below note)	48.03	-
Total	100.84	57.24

Note :

The Company in earlier year had applied for grant of special incentives under Rules for implementation of Uttar Pradesh Industrial Investment & Employment Promotion Policy – 2017 towards proposed project to manufacture Cold Rolling / Galvanizing of HR coils at Plot No. 22 UPSIDC Industrial Area, Sikandrabad. The Company in earlier year completed the project and in current year has received the Letter of Comfort (LOC) from The Pradeshia Industrial & Investment Corporation of U.P. Ltd. and accordingly became eligible for claiming incentives for the investment made. The Company is eligible for following grants:

- a) Reimbursement of deposited SGST;
- b) Reimbursement of employee provident fund;
- c) Reimbursement of capital interest subsidy;
- d) Reimbursement of infrastructure interest subsidy.

The Company in current year has recognized cumulative grants towards SGST deposited aggregating to Rupees 48.03 crore (including Rupees 32.41 crores related to earlier years) and capital interest subsidy related to earlier years of Rupees 0.90 crore (see note 26).

26 Other income

(Rupees in crore)		
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Gain on foreign currency transactions (net)	2.51	1.98
(b) Interest income on fixed deposits and others	34.13	10.81
(c) Interest income - capital interest subsidy (see note 25(ii))	0.90	4.48
(d) Miscellaneous income [see note below (i)]	1.72	1.61
Total	39.26	18.88

Note :

- (i) Miscellaneous income includes (a) Export obligation deferred income amortisation of Rupees 0.92 crores (March 31, 2023 : Rupees 0.56 crores), (b) Interest subsidy benefit on borrowings for exports of Rupees 0.33 crores (March 31, 2023 : Rupees 0.28 crores) and (c) Other miscellaneous income of Rupees 0.45 crores (March 31, 2023 : Rupees 0.78 crores).
- (ii) The Company has recognised during the year ended 31 March, 2024 cumulative interest subsidy of Rupees 0.90 crores which has been adjust in interest income.

27 Cost of material consumed

(Rupees in crore)		
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories of raw materials as at the beginning of the year	25.99	7.62
Add: Purchases during the year	2,327.09	2,178.98
Less: Inventories of raw materials as at the end of the year	38.26	25.99
Total	2,314.82	2,160.61

28 Change in inventories

(Rupees in crore)		
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the end of the year:		
(a) Finished goods	26.41	31.36
(b) Stock-in-trade	4.16	0.30
(c) Work in progress	50.45	47.43
(d) Rejection and scrap	0.27	0.34
	81.29	79.43
Inventories at the beginning of the year:		
(a) Finished goods	31.36	22.05
(b) Stock-in-trade	0.30	-
(c) Work in progress	47.43	15.81
(d) Rejection and scrap	0.34	0.68
	79.43	38.54
Total	(1.86)	(40.89)



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Notes to the financial statements for the year ended March 31, 2024

29 Employee benefits expense

Particulars	(Rupees in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
(a) Salaries and wages	33.60	27.93
(b) Contribution to provident fund (see note 36)	1.42	1.27
(c) Gratuity expense (see note 36)	0.81	0.71
(d) Staff welfare expenses	0.77	0.60
Total	36.60	30.51

During the year, the Company recognised an amount of Rupees 5.46 crore including commission Rupees 1.39 crores (Year ended March 31, 2023 Rupees 3.00 crore and commission of Rupees Nil) as remuneration to key managerial personnel. The details of such remuneration is as below :

(i) Short term employee benefits	5.39	3.00
(ii) Post employment benefits (gratuity expense)	0.03	-
(iii) Other long term employee benefits (leave encashment expense)	0.04	-
Total	5.46	3.00

30 Finance costs

Particulars	(Rupees in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest expense :		
(i) working capital facilities	6.03	3.56
(ii) term loan	0.05	-
(b) Other borrowing cost	1.34	0.40
Total	7.42	3.96

31 Depreciation and amortisation expense

Particulars	(Rupees in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
(a) Depreciation on property, plant and equipment (see note 2(a))	16.18	15.34
(b) Amortisation on right of use assets (see note 2(b))	0.42	0.42
Total	16.60	15.76

32 Other expenses

Particulars	(Rupees in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
(a) Consumption of stores and spare parts	19.58	17.08
(b) Power and fuel	45.17	45.99
(c) Security services	0.64	0.61
(d) Repair and maintenance:		
(i) Building	0.10	0.54
(ii) Plant and machinery	2.18	1.87
(iii) Others	0.04	0.28
(e) Rates and taxes	0.26	0.15
(f) Travelling and conveyance	1.36	0.39
(g) Legal and professional charges (see note (i) below)	0.83	0.73
(h) Freight outward	63.66	69.36
(i) Provision for slow moving inventory of stores and spares	0.18	0.19
(j) Advertising and sales promotion	0.03	0.02
(k) Loss on sale of property, plant and equipment (net)	0.71	0.83
(l) Corporate social responsibilities (see note 43(b))	3.29	2.63
(m) Insurance	0.21	0.21
(n) Miscellaneous expenses	1.13	0.86
(o) Management support services (see note 33(a))	18.99	13.32
Total	158.36	155.06

Note :-

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

(a) To statutory auditors		
For audit	0.18	0.17
Total	0.18	0.17
(b) To cost auditors for cost audit	0.01	0.01
Total	0.01	0.01

33 Allocation of common expenses

(a) During the year, the holding Company has charged 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.



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34 Earnings per Equity share

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

Particulars	(Rupees in crore, unless otherwise stated)	
	Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to the equity holders of the Company used in calculating basic and diluted earnings per share	245.45	130.39
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	27,11,100	27,11,100
(a) Basic earnings per share in Rupees	905.36	480.95
(b) Diluted earnings per share in Rupees	905.36	480.95

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

Particulars	(Rupees in crore)	
	As at March 31, 2024	As at March 31, 2023
(a) Contingent liabilities (for pending litigations)		
(1) Disputed claims/levies in respect of sales tax:		
- Reversal of input tax credit	4.33	0.32
- Provisional assessment	-	0.63
	4.33	0.95
(2) Disputed claims/levies in respect of excise duty:		
- Availability of input credit	10.28	10.28
- Demand on clearance of goods	0.38	0.38
	10.66	10.66

(i) Based upon the legal opinion obtained by the management, there are various interpretation issues and thus management is in the process of evaluating the impact of the recent Supreme Court Judgement in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on the Company, if any, can not be ascertained.

(ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially effect on its financial statements.

(b) Commitments

(1) Estimated amount of contracts remaining to be executed on capital account and not provided for

(i) Property, plant and equipment	2.77	10.88
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(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 goods of FOB Value of Rupees 12.12 crore (March 31, 2023 Rupees 5.35 crore) against which the Company has saved a duty of Rupees 2.02 crore (March 31, 2023 Rupees 0.92 crore).

(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.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.



36 Employee benefit obligations

(a) 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 1.42 crore (Year ended March 31, 2023 Rupees 1.27 crore) for Provident Fund contributions in the statement of profit and loss. 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.

(b) Defined benefit plans

a) Gratuity

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. Vesting occurs upon completion of 5 years of service.

Particulars	(Rupees in crore)		
	As at March 31, 2024		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.17	3.18	3.35
Total employee benefit obligations	0.17	3.18	3.35

Particulars	(Rupees in crore)		
	As at March 31, 2023		
	Current	Non-current	Total
Gratuity			
Present value of obligation	0.18	2.74	2.92
Total employee benefit obligations	0.18	2.74	2.92

(i) 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	(Rupees in crore)
Opening balance as at April 1, 2022	2.23
Current service cost	0.54
Interest expense/(income)	0.17
Total amount recognised in profit or loss	0.71
-Acquisition /Business Combination / Divestiture	0.02
<i>Remeasurements</i>	
-Loss due to experience adjustments	(0.02)
-effect of change in financial assumptions	0.08
Total amount recognised in other comprehensive income	0.06
Employer contributions : Benefit payments	(0.10)
Balance as at March 31, 2023	2.92
Opening balance as at April 1, 2023	2.92
Current service cost	0.60
Interest expense/(income)	0.21
Total amount recognised in profit or loss	0.81
-Acquisition /Business Combination / Divestiture	-
<i>Remeasurements</i>	
-Loss due to experience adjustments	(0.17)
-effect of change in financial assumptions	0.14
Total amount recognised in other comprehensive income	(0.03)
Employer contributions : Benefit payments	(0.35)
Balance as at March 31, 2024	3.35



(ii) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate	7.09%	7.63%
Salary growth rate	8.00%	8.00%
Retirement age	60 Years	60 Years
Mortality	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14
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.

(iii) Sensitivity analysis

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

Particulars	(Rupees in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity		
Discount rate (increase by 1%)	(0.49)	(0.42)
Salary growth rate (increase by 1%)	0.59	0.51

Particulars	(Rupees in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity		
Discount rate (decrease by 1%)	0.60	0.52
Salary growth rate (decrease by 1%)	(0.49)	(0.42)

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.

(iv) 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.

(v) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 18.23 years (March 2023 : 18.68 years).

The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	(Rupees in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
Less than a year	0.17	0.18
Between 1 - 2 years	0.08	0.17
Between 2 - 3 years	0.09	0.09
Between 3 - 4 years	0.25	0.10
Between 4 - 5 years	0.22	0.28
Beyond 5 years	1.55	1.58
Total	2.36	2.40



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37 Related party transactions

(a) Details of related parties:

(i) Holding Company

Name of related parties

APL Apollo Tubes Limited

(ii) Fellow subsidiaries

APL Apollo Buildings Private Limited
 APL Apollo Tubes FZE (till December 31, 2023)
 A P L Apollo Tubes Company LLC
 Blue Ocean Projects Private Limited
 APL Apollo Mart Limited

(iii) Key Management Personnel (KMP) (with whom transactions have taken place during the year)

Mr. Vinay Gupta (Managing Director)
 Mr. Sanjay Gupta (Director)
 Mr. Sunil Mittal (Chief Financial Officer w.e.f. February 1, 2024)

(iv) Enterprises significantly influenced by KMP and their relatives (with whom transactions have taken place during the year)

Apollo Pipes Limited
 APL Apollo Foundation (Foundation incorporated on April 19, 2022)

(b) Transactions during the year

Particulars	(Rupees in crore)				
	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)					
APL Apollo Tubes Limited	C.Y. 175.21	-	-	-	175.21
	P.Y. 271.51	-	-	-	271.51
Apollo Pipes Limited	C.Y. -	-	-	-	-
	P.Y. -	-	-	0.19	0.19
APL Apollo Building Products Private Limited	C.Y. -	0.20	-	-	0.20
	P.Y. -	0.61	-	-	0.61
	C.Y. 175.21	0.20	-	-	175.41
	P.Y. 271.51	0.61	-	0.19	272.31
Purchase of stores and spares					
APL Apollo Tubes Limited	C.Y. 0.25	-	-	-	0.25
	P.Y. 0.09	-	-	-	0.09
Apollo Pipes Limited	C.Y. -	-	-	0.77	0.77
	P.Y. -	-	-	0.97	0.97
	C.Y. 0.25	-	-	0.77	1.02
	P.Y. 0.09	-	-	0.97	1.06
Purchase of scrap					
APL Apollo Tubes Limited	C.Y. 0.28	-	-	-	0.28
	P.Y. 0.37	-	-	-	0.37
	C.Y. 0.28	-	-	-	0.28
	P.Y. 0.37	-	-	-	0.37
Purchase of property, plant and equipment					
APL Apollo Tubes Limited	C.Y. 6.74	-	-	-	6.74
	P.Y. 0.35	-	-	-	0.35
APL Apollo Building Products Private Limited	C.Y. -	-	-	-	-
	P.Y. -	5.55	-	-	5.55
	C.Y. 6.74	-	-	-	6.74
	P.Y. 0.35	5.55	-	-	5.89
Sale of goods (net of discounts)					
APL Apollo Tubes Limited	C.Y. 815.30	-	-	-	815.30
	P.Y. 991.12	-	-	-	991.12
APL Apollo Building Products Private Limited	C.Y. -	2.94	-	-	2.94
	P.Y. -	6.64	-	-	6.64
	C.Y. 815.30	2.94	-	-	818.24
	P.Y. 991.12	6.64	-	-	997.76
Sale of scrap					
APL Apollo Tubes Limited	C.Y. 4.79	-	-	-	4.79
	P.Y. 6.41	-	-	-	6.41
Apollo Pipes Limited	C.Y. -	-	-	0.02	0.02
	P.Y. -	-	-	-	-
APL Apollo Building Products Private Limited	C.Y. -	0.10	-	-	0.10
	P.Y. -	-	-	-	-
	C.Y. 4.79	0.10	-	0.02	4.91
	P.Y. 6.41	-	-	-	6.41
Sale of property, plant and equipment					
APL Apollo Tubes Limited	C.Y. 0.03	-	-	-	0.03
	P.Y. 0.09	-	-	-	0.09
	C.Y. 0.03	-	-	-	0.03
	P.Y. 0.09	-	-	-	0.09
Sale of license					
Apollo Pipes Limited	C.Y. -	-	-	0.49	0.49
	P.Y. -	-	-	1.59	1.59
	C.Y. -	-	-	0.49	0.49
	P.Y. -	-	-	1.59	1.59
Salary					
Mr. Sunil Mittal	C.Y. -	-	0.32	-	0.32
	P.Y. -	-	-	-	-
Mr. Vinay Gupta	C.Y. -	-	5.14	-	5.14
	P.Y. -	-	3.00	-	3.00
	C.Y. -	-	5.46	-	5.46
	P.Y. -	-	3.00	-	3.00



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Particulars	(Rupees in crore)				
	Holding Company	Fellow Subsidiaries	Key Management Personnel (KMP)	Enterprises significantly influenced by KMP and their relatives	Total
Interest Expense					
APL Apollo Tubes Limited	C.Y.	-	-	-	-
	P.Y.	0.48	-	-	0.48
	C.Y.	-	-	-	-
	P.Y.	0.48	-	-	0.48
Interest Income					
APL Apollo Tubes Limited	C.Y.	-	-	-	-
	P.Y.	0.26	-	-	0.26
APL Apollo Building Products Private Limited	C.Y.	-	-	-	-
	P.Y.	-	4.07	-	4.07
	C.Y.	-	-	-	-
	P.Y.	0.26	4.07	-	4.33
Rent Income					
APL Apollo Tubes Limited	C.Y.	0.41	-	-	0.41
	P.Y.	0.41	-	-	0.41
	C.Y.	0.41	-	-	0.41
	P.Y.	0.41	-	-	0.41
Allocation of common expenses					
APL Apollo Tubes Limited	C.Y.	18.99	-	-	18.99
	P.Y.	13.32	-	-	13.32
	C.Y.	18.99	-	-	18.99
	P.Y.	13.32	-	-	13.32
Loans received back during the year					
APL Apollo Building Products Private Limited	C.Y.	-	-	-	-
	P.Y.	-	150.00	-	150.00
	C.Y.	-	-	-	-
	P.Y.	-	150.00	-	150.00
Advance in the nature of loans taken during the year					
APL Apollo Tubes Limited	C.Y.	-	-	-	-
	P.Y.	206.03	-	-	206.03
	C.Y.	-	-	-	-
	P.Y.	206.03	-	-	206.03
Advance in the nature of loans repaid during the year					
APL Apollo Tubes Limited	C.Y.	-	-	-	-
	P.Y.	206.03	-	-	206.03
	C.Y.	-	-	-	-
	P.Y.	206.03	-	-	206.03
Advance in the nature of loans given during the year					
APL Apollo Tubes Limited	C.Y.	-	-	-	-
	P.Y.	37.68	-	-	37.68
	C.Y.	-	-	-	-
	P.Y.	37.68	-	-	37.68
Advance in the nature of loans received back during the year					
APL Apollo Tubes Limited	C.Y.	-	-	-	-
	P.Y.	37.68	-	-	37.68
	C.Y.	-	-	-	-
	P.Y.	37.68	-	-	37.68
Investment in equity share capital					
APL Apollo Foundation	C.Y.	-	-	-	-
	P.Y.	-	-	0.03	0.03
	C.Y.	-	-	-	-
	P.Y.	-	-	0.03	0.03
(c) Balances outstanding at the end of the year					
Trade payables					
APL Apollo Tubes Limited	C.Y.	9.52	-	-	9.52
	P.Y.	6.70	-	-	6.70
Apollo Pipes Limited	C.Y.	-	-	0.06	0.06
	P.Y.	-	-	0.04	0.04
Mr. Vinay Gupta	C.Y.	-	-	-	-
	P.Y.	-	-	0.11	0.11
	C.Y.	9.52	-	0.06	9.58
	P.Y.	6.70	-	0.11	6.85



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(Rupees in crore)

Particulars	Holding Company	Fellow Subsidiaries	Key Management Personnel (KMP)	Enterprises significantly influenced by KMP and their relatives	Total
Claim receivables					
APL Apollo Tubes Limited	C.Y. 0.66	-	-	-	0.66
	P.Y. 2.46	-	-	-	2.46
	C.Y. -	0.01	-	-	0.01
APL Apollo Building Products Private Limited	P.Y. -	0.07	-	-	0.07
	C.Y. 0.66	0.01	-	-	0.67
	P.Y. 2.46	0.07	-	-	2.53
Trade receivables					
APL Apollo Tubes Limited	C.Y. 2.78	-	-	-	2.78
	P.Y. 0.23	-	-	-	0.23
	C.Y. -	-	0.16	-	0.16
APL Apollo Building Products Private Limited	P.Y. -	-	-	-	-
	C.Y. 2.78	-	0.16	-	2.94
	P.Y. 0.23	-	-	-	0.23

Notes :

- (i) Amount of expense of gratuity and compensated absences is taken on actuarial basis.
- (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. (see note 15 and 19 for credit facilities from bank outstanding as at the end of year amounting Rupees 32.68 crore (Year ended March 31, 2023 Rupees 30.00 crore)
- (iii) The term loan and other credit facilities of the Company are also secured by personal guarantee of directors of the Company, Mr. Sanjay Gupta and Mr. Vinay Gupta. (see note 15 and 19)
- (iv) C.Y. represents amount as at and for the year ended March 31, 2024 and P.Y. represents amount as at and for the year ended March 31, 2023.



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38 Income tax expense

The reconciliation of estimated income tax to income tax expense is as below :-

Particulars	(Rupees in crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax as per statement of profit and loss	328.09	175.29
Income tax expenses calculated as per tax rates of Income tax act of 25.168% (March 31, 2023 : 25.168%)	82.57	44.12
(i) Items not deductible	0.86	0.78
(ii) Income tax of earlier year	(0.79)	-
Tax expense as reported	82.64	44.90

39 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, 2024 and March 31, 2023.

Particulars	(Rupees in crore)			
	As at March 31, 2024		As at March 31, 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets - Non Current				
Security deposit	-	3.83	-	3.56
In margin money with maturity more than 12 months at inception	-	1.04	-	1.04
Financial assets - Current				
Loans to employees	-	0.23	-	0.11
Trade receivables	-	44.43	-	27.51
Export incentives	-	48.93	-	-
Claim receivables	-	0.58	-	2.65
Accrued interest	-	19.50	-	9.56
Cash and cash equivalents	-	46.72	-	1.24
Bank balances other than cash and cash equivalents	-	0.92	-	85.00
Balance in fixed deposits with original maturity of more than 12 months	-	521.99	-	277.00
Total financial assets	-	688.18	-	407.67
Financial liabilities-Non Current				
Borrowings	-	4.10	-	0.68
Financial liabilities-Current				
Borrowings	-	32.68	-	30.00
Derivative liabilities	-	-	0.28	-
Trade payable	-	134.42	-	110.03
Others	-	0.01	-	-
Total financial liabilities	-	171.21	0.28	140.71

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

(a) Financial liabilities measured at fair value - recurring fair value measurements :

Particulars	As at March 31, 2024	As at March 31, 2023
	Level 2	Level 2
Financial Liabilities		
- Liability for forward contracts	-	0.28
Total financial liabilities	-	0.28

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



(b) 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.

(c) 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.

40 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, The 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 etc.

(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, liquidity and other market changes. Future specific market movements can not be normally predicted with reasonable accuracy.

(i) Foreign currency risk

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

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in the increase in the Company's overall debt positions in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivable in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and options. At any point in time, the Company hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months or as deemed appropriate based on market conditions. In respect of imports and other payables, the Company hedges its payable as when the exposure arises.

Details of derivative instruments and unhedged foreign currency exposure :-

(1) Outstanding forward exchange contracts entered into by the Company as on March 31, 2024 :

Forward contract outstanding	Buy/Sell	As at March 31, 2024	As at March 31, 2023
In USD	Sell	10,00,000	20,00,000
Equivalent amount in Rupees in crore	Sell	8.34	16.45
In EURO	Buy	86,24,999	-
Equivalent amount in Rupees in crore	Buy	77.66	-
In EURO	Sell	-	10,00,000
Equivalent amount in Rupees in crore	Sell	-	8.95



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

Currency	As at March 31, 2024	As at March 31, 2023
Receivables:		
USD	24,34,276	22,98,699
Equivalent amount in Rupees in crore	20.29	18.90
EURO	-	1,80,991
Equivalent amount in Rupees in crore	-	1.62
Payables		
USD	46,32,804	-
Equivalent amount in Rupees in crore	38.62	-
Advance from customers		
USD	4,69,945	-
Equivalent amount in Rupees in crore	3.92	-

Sensitivity

If INR is depreciated or appreciated by 2.5% vis-a-vis foreign currency, the impact thereof on the profit and loss of the Company are given below:

Particulars	Impact on profit after tax	
	Year ended March 31, 2024	Year ended March 31, 2023
<i>USD sensitivity</i>		
INR/USD Increases by 2.50% (March 31, 2023 - 2.50%)	(0.34)	0.35
INR/USD Decreases by 2.50% (March 31, 2023 - 2.50%)	0.34	(0.35)
<i>EURO sensitivity</i>		
INR/EURO Increases by 2.50% (March 31, 2023 - 2.50%)	-	0.03
INR/EURO Decreases by 2.50% (March 31, 2023 - 2.50%)	-	(0.03)

(ii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in 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.

Particulars	(Rupees in crore)	
	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	36.78	30.68
Fixed rate borrowings	-	-
Total borrowings	36.78	30.68

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

Particulars	Balance	% of total loans
As at March 31, 2024		
Bank overdrafts, bank loans, Cash Credit	36.78	100%
As at March 31, 2023		
Bank overdrafts, bank loans, Cash Credit	30.68	100%

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	(Rupees in Crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest rates – increase by 50 basis points (50 bps)	(0.14)	(0.11)
Interest rates – decrease by 50 basis points (50 bps)	0.14	0.11



(b) Credit risk (see note 8)

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

Company's trade receivables are generally categorized into following categories:

1. Export customers
2. Institutional customers
3. Dealers

In case of export sales, in order to mitigate credit risk, generally sales are made on advance payment terms. Where export sales are not made on advance payment terms, the same are secured through letter of credit or bank guarantee, etc.

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 reporting period are as follows:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Floating rate borrowings	77.32	87.00
Nature of facility	Working Capital	Working Capital

(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:

Particulars	(Rupees in crore)			
	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
As at March 31, 2024				
Borrowings (Interest bearing)	36.38	-	0.40	36.78
Trade payable	134.42	-	-	134.42
Others	0.01	-	-	0.01
Total non-derivative liabilities	170.81	-	0.40	171.21
As at March 31, 2023				
Borrowings (Interest bearing)	30.28	-	0.40	30.68
Trade payable	110.03	-	-	110.03
Others	-	-	-	-
Total non-derivative liabilities	140.31	-	0.40	140.71

41 Reconciliation of liabilities arising from financing activities

Particulars	(Rupees in crore)			
	Opening balance as at April 1, 2022	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2023
Non-current borrowings	0.23	0.45	-	0.68
Current borrowings	3.42	26.58	-	30.00
Total liabilities from financing activities	3.65	27.03	-	30.68

Particulars	(Rupees in crore)			
	Opening balance as at April 1, 2023	Net Cash flows	Non-cash changes-foreign exchange movement	As at March 31, 2024
Non-current borrowings	0.68	3.42	-	4.10
Current borrowings	30.00	2.68	-	32.68
Total liabilities from financing activities	30.68	6.10	-	36.78



42 Capital management

(a) Risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would 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, 2024	As at March 31, 2023
Non-current borrowings	4.10	0.68
Current borrowings	32.68	30.00
Less: Cash and cash equivalents	(46.72)	(1.24)
Less: Bank balances other than cash and cash equivalents	(0.92)	(85.00)
Less: Fixed deposits classified in other current financial assets	(521.99)	(277.00)
Net Debt	(532.85)	(332.56)
Total Equity	842.27	596.80
Gearing Ratio	(0.63)	(0.56)

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

43 Additional Regulatory Information

(a) The amount due to Micro and small enterprises as defined in "The Micro, Small and Medium Enterprises Development act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below :

	As at March 31, 2024	As at March 31, 2023
(i) The principal amount remaining unpaid to supplier as at the end of the year	1.07	1.58
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
(iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
(v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961	-	-
Total	1.07	1.58

(b) Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which were specified in schedule VII of the Companies Act, 2013 :

	Year ended March 31, 2024	Year ended March 31, 2023
(i) Amount required to be spent as per section 135 of Companies Act, 2013	3.29	2.63
(ii) Amount of expenditure in the books of accounts	3.29	2.63
(iii) Actual expenditure	0.29	-
(iv) Provision made for liability	3.00	2.63
(v) Shortfall at the end of the year	-	-
(vi) Total of previous years shortfall	-	-
(vii) Reason for shortfall	See note below	See note below
(viii) Amount of expenditure incurred on		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other (i) above	0.29	-
(ix) Nature of CSR activities	Education and skill enhancement, healthcare, rural development	Education and skill enhancement, healthcare, rural development
(x) Details of related party transactions	None	None

During previous year consequent to the Companies (Corporate Social Responsibility Policy) Amended Rules, 2021 ("the rules"), the Company has subsequent to balance sheet date has deposited amount of Rupees 3.00 crore (March 31, 2023 : Rupees 2.63 crore) to a separate bank account.

Notes Based on legal opinion, the Company is of the view that the past unspent CSR obligation till March 31, 2020 not carried forward will be treated as lapses and accordingly does not require to be spent / transferred to a separate bank account.



(c) Financial Ratios as per the Schedule III requirements

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Current Ratio Current Ratio = Current Assets / Current Liabilities % change from previous year	4.08 16.49%	3.50 10.38%
(ii) Debt-Equity Ratio Debt-Equity Ratio = Net Debt ⁽¹⁾ / Shareholder's Equity % change from previous year Reason for change more than 25%	(0.01) -85.68% See note (a) below	(0.09) (41.81)%
(iii) Debt Service Coverage Ratio Debt Service Coverage Ratio = Earnings available for debt service ⁽²⁾ / Debt service ⁽³⁾ % change from previous year Reason for change more than 25%	67.75 56.13% See note (b) below	43.39 330.35%
(iv) Return on Equity Ratio Return on Equity Ratio= Net Profit after tax / Average Shareholder's Equity % change from previous year Reason for change more than 25%	34.11% 39.06% See note (c) below	24.53% (26.43)%
(v) Inventory turnover ratio Inventory turnover ratio= Sales / Average inventory % change from previous year	24.65 -28.03%	34.25 13.51%
(vi) Trade receivables turnover ratio Trade receivables turnover ratio= Sales / Average trade receivables % change from previous year Reason for change more than 25%	79.83 -16.99%	96.17 94.55%
(vii) Trade payables turnover ratio Trade payables turnover ratio= Net purchases / Average trade payables % change from previous year	19.62 -41.58%	33.59 7.28%
(viii) Net capital turnover ratio Net capital turnover ratio= Sales / Working capital % change from previous year Reason for change more than 25%	4.61 -37.02% See note (d) below	7.32 (64.08)%
(ix) Net Profit Ratio Net Profit Ratio= Profit after tax / Sales % change from previous year	8.55% 79.20%	4.77% (15.33)%
(x) Return on capital employed Return on capital employed= Earning before interest and taxes ⁽⁴⁾ / Capital employed ⁽⁵⁾ % change from previous year Reason for change more than 25%	39.53% 23.11%	32.11% (29.13)%
(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 :

- (a) Due to increase in Shareholder's equity.
- (b) Due to decrease interest paid during the year.
- (c) Due to increase net profit during the year.
- (d) Due to increase in net working capital.

- (d) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- (e) No funds have been advanced or loaned or invested in current and previous year (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.
- (f) No funds have been received by the Company in current and previous year 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.
- (g) **Details of benami property held**
No proceeding has been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

- (h) **Wilful defaulter**
The Company has not been declared wilful defaulter by any bank or financial institution or any lender.



APOLLO METALEX PRIVATE LIMITED
CIN-U27104DL2006PTC146579

Notes to the financial statements for the year ended March 31, 2024

- (i) **Maintenance of Audit Trail log**
The Company has used an accounting software(s) i.e. SAP for maintaining its books of account for the financial year ended March 31, 2024 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(s) and the management did not come across any instance of the audit trail feature being tampered with.
- (j) **Undisclosed income**
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (k) **Details of crypto currency or virtual currency**
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (l) **Valuation of PP&E, intangible asset and investment property**
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (m) **Registration of charges or satisfaction with Registrar of Companies**
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

For and on behalf of the Board of Directors
APOLLO METALEX PRIVATE LIMITED


VINAY GUPTA
Managing Director
DIN : 00005149


SANJAY GUPTA
Director
DIN : 00233188


SUNIL MITTAL
Chief Financial Officer

Place: Noida
Date: May 11, 2024

